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## A Paris That Only Americans Could Love

By Charles Trueheart  
Washington Post Service

PARIS — Forget Paris. Las Vegas is about to offer you a much, much better version: One without French people. One without dog poop on the sidewalks. One where the menus are in English and the waiters say, "Hi, I'm Dwayne," and return promptly with your food.

It's called Paris Las Vegas, and its most striking symbol will be an "Eiffel Tower" 50 stories high, about half the stature of the real thing, with a stunning view of greater Las Vegas, a city of light in its own right.

On its 24 acres (10 hectares) also will be a toy Arc de Triomphe and approximations of the Paris opera house, the Seine river and its bridges, the Ile St. Louis, the rue de la Paix, the Montparnasse quarter, a Metro station (where a monorail will stop), and many other sights seen by American tourists who today have to make the more complicated trip to Paris, France.

Paris Las Vegas is a \$750 million project by Hilton Hotels Corp., with a 3,000-room hotel, nine restaurants and an 85,000-square-foot (7,650-square-meter) casino. Construction will begin this month on a patch of sand on the "Golden Mile" of the Las Vegas Strip, and convenient to ancient Rome, the Egypt of the Pharaohs, and King Arthur's England.

The city the new project seeks to evoke is, loosely speaking, the Paris of the last turn of the century, and it will be open for business just in time for the next one.

Arthur Goldberg, the president of Hilton's gaming operations, was in Paris with a retinue of corporate people to unveil the project. They were received at City Hall by Mayor Jean Tiberi.

Mr. Tiberi viewed the architectural renderings and pronounced himself "impressed by the gigantism of this project," as well as "by its quality and its chic."

French disdain for American excess seems to have been suspended in the face of this bonanza in Nevada. One Hilton official said, "We haven't encountered it at all."

Mr. Goldberg told Mayor Tiberi, "I visited here numerous times and tried to think up something that the people of the United States would enjoy if they would never come to Paris."

Mr. Tiberi, for his part, said he hoped Paris Las Vegas would tempt its visitors to see the original in "all its grandeur."

Paris Las Vegas may draw still more people to Las Vegas, which counts about 35 million visitors a year, about three times as many as come to Paris, France, these days.

When Mr. Goldberg told Mr. Tiberi that one leg of the mini-Eiffel Tower planted in the new casino would house "the cage where we keep our money," Mr. Tiberi quipped that it would be nice if Paris could have a share of it. The

See VEGAS, Page 5



## French Court Rebuffs Renault on Closing Plant in Belgium

A Belgian policeman brandishing his riot stick and shield during a clash with 900 Renault workers in Brussels on Friday. The workers were protesting the closing of their plant. In Paris, meanwhile, a court ruled that Renault must restart talks with unions about closing the plant and cutting 3,100 jobs. Page 9.

## A Big Problem Kohl Can't Sit Out

### Re-election Decision Raises the Stakes Over Restructuring

By John Schmid  
International Herald Tribune

FRANKFURT — One of the harshest and most recurring criticisms of Chancellor Helmut Kohl's 15-year tenure is that he tends toward "missziten," literally to "sit out" his problems by withdrawing and putting off decisions.

With his announcement this week that he is seeking re-election, a full year and a half before the vote, Mr. Kohl bowed to pressure within his own ranks to increasingly impatiently advance a raft of economic and social restructuring programs that are as unpopular as

they are urgent. Those initiatives, many of them floundering, stood their best chance, Mr. Kohl's allies urged, only if he bundled them in a single campaign platform and carried them forward by hitching them to his own political fate.

In that sense, Mr. Kohl's decision to run again has as much to do with restoring confidence in the embattled agenda for his fourth term as it does with winning a fifth one.

For much of this year, Mr. Kohl's coalition supporters complained that

their burly leader was failing to show leadership by failing to articulate his political ambitions. This renewed fears that Mr. Kohl had resorted to ducking issues, just as criticism of the government was flourishing, public discontent was on the rise and unemployment hit a record 4.7 million, the highest since Hitler began his rise to power in the Depression.

Selling a new and untested Euro-war currency to the stubbornly Euro-skeptic Germans stands as the most obvious program that cannot advance without the activism of Mr. Kohl, an ardent

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## Drop in U.S. Joblessness Rattles Markets

The Dollar			
	Friday 4:30 P.M.	previous close	
New York	1.6841	1.67	
DM	1.6345	1.6449	
Pound	1.24315	1.22615	
Yen	5.671	5.6245	
The Dow			
	Friday 4:30 P.M.	previous close	
+7.18	8484.53	8477.35	
S&P 500			
	Friday 4:30 P.M.	previous close	
+2.68	753.00	750.32	

The U.S. unemployment rate fell to 5.2 percent in March from 5.3 percent in February, the Labor Department said Friday, alarming financial markets worried about inflation.

The decline in unemployment was the lowest seasonally adjusted rate in five months, the department said, as moderate job growth was increased by gains in the computer industry and at retail and financial businesses.

The gain last month of 175,000 new jobs was accompanied by an acceleration in labor costs and record factory overtime pay, suggesting that the

inflation rate could be on the rise. While the March employment gain fell short of forecasts, workers' average hourly earnings rose 0.4 percent last month — or 5 cents. That puts wage growth up 4 percent for the past 12 months, above the inflation rate.

Factory overtime also rose to a record 4.9 hours per worker per week. "It's not a frightening report, but it's not a relaxing one," an analyst said.

Wall Street took the report as another sign that the Federal Reserve Board policymakers will have to raise interest rates again. Page 9.

## Constitution Controversy Hits Manila

### Aquino Breaks Silence to Fight Move to Lift Presidential Term Limit

By Seth Mydans  
New York Times Service

MANILA — It was enough to bring Corason Aquino back into the political arena. Her one unquestioned achievement as president — the re-establishment of democracy in the Philippines — seemed to her to be under threat.

"I am ready to march when the time comes," she said recently, reviving the notion of the "people power" uprising that helped her drive Ferdinand Marcos from power 11 years ago.

Mrs. Aquino's return to the spotlight is a response to a growing movement to amend the so-called Aquino Constitution of 1987 that limits a president to one six-year term. The proposed change, after all term limits, would allow her successor, Fidel Ramos, to run again next year.

Those backing the change, including many business executives, see Mr. Ramos as the indispensable architect of the country's economic revival, with no clearly qualified successor on the ho-

rizon. Under his leadership, the Philippines, with its free-wheeling democracy and wide-open press, has begun to challenge the Southeast Asian model of growth through tight government control.

"You have proven that democracy and development in this part of the world can go hand in hand," President Bill Clinton told Mr. Ramos in November when he joined leaders from around the region at an economic meeting in the Philippines. Opponents of the constitutional change see an echo of 1972, when Mr. Marcos, also barred from seeking a new term, held on to power by declaring martial law and plunged the country into a ruinous period of repression, corruption and economic collapse.

"What we have to guard against is the divisiveness that will come about when people start fooling around with the constitution," Mrs. Aquino said in a rare political statement.

Since ending her own six-year term in 1992, Mrs. Aquino has mostly slipped back into the comfortable obscurity she enjoyed before challenging Mr. Marcos, living quietly on her family estate and heading a foundation that is still seeking a focus for its activities.

Mr. Ramos himself, now 69, has been coy about his intentions, repeatedly denying that he wants to stay in power but allowing his supporters to work for a constitutional change.

The Philippines' Supreme Court recently invalidated a petition drive that could have forced a constitutional convention and that claimed to have gathered 5 million signatures supporting a change. Mr. Ramos was one of the first to say the court's ruling could be appealed — while again asserting that he had no plans to run.

Mr. Ramos's achievements as pres-

See MANILA, Page 4



ZAIRE TALKS NEAR — Marshal Mobutu, after talks Friday with his new prime minister on the eve of peace talks. Page 2.

## Netanyahu Offers 'Camp David' Talks

### U.S. Unsure How to Deal With Israel

### PLO Balks At Push for Quick Fix

By Thomas W. Lippman  
Washington Post Service

WASHINGTON — The breakdown of Middle East peace negotiations is forcing the Clinton administration to confront two crucial areas of disagreement between the United States and Israel that the two countries have mostly papered over for 30 years: Jewish settlements in the occupied territories and the status of Jerusalem.

As long as there was no prospect of peace between Israel and the Palestinians, it was possible to finesse these issues with verbal formulas that punted them into the future.

But now the Clinton administration is in a diplomatic pickle because long-standing U.S.-Israeli differences may have to be addressed directly once and for all, a process that could expose the administration to considerable political

Continued on Page 9

JERUSALEM — Prime Minister Benjamin Netanyahu offered Friday to meet American and Palestinian leaders for three-way Camp David-style talks if necessary to forge a final peace deal.

But even as the prime minister spoke, Israeli troops in Hebron banished 400 Palestinian stone-throwers on the 16th consecutive day of West Bank rage over a Jewish settlement in Arab East Jerusalem. A Hebron hospital treated 16 Arabs for wounds from rubber bullets. Violence also erupted in Bethlehem and East Jerusalem.

"As soon as violence against us stops, we can clear up all outstanding questions in six months," Mr. Netanyahu said in the interview on the German ARD television station from Israel before a meeting with President Bill Clinton at the White House on Monday.

"If we don't manage that within that time, then Arafat, President Clinton and I can try to settle the Israeli-Palestinian dispute in a sort of Camp David summit," he said, referring to the Palestinian leader, Yasser Arafat.

Thirteen days of intensive U.S.-Israeli-Egyptian talks at the U.S. presidential retreat in Camp David near Washington in 1978 paved the way for Israel's 1979 peace treaty with Egypt, its first with an Arab state.

Washington, the main sponsor of interim peace deals signed by Israel and the Palestinians since 1993, has described as premature reports in the U.S. and Israeli news media of a possible Camp David meeting to clinch an Israeli-Palestine Liberation Organization deal.

Palestinians balked at Mr. Netanyahu's revived offer to skip over an existing deal on phased Israeli West Bank troop pullbacks and instead race to complete go-for-broke "final status" peace talks within half a year.

"This is a black joke," said Hassan Asfour, a Palestinian negotiator.

Under the existing deal, Israel is due to withdraw from West Bank rural areas in three phases by mid-1998 and to seal a final peace deal with the PLO by May 1999. The PLO wants to receive more territory before closing a final accord.

Palestinians have not ruled out a Camp David-style meeting but doubt Washington's ability to be an honest broker after it twice vetoed United Nations Security Council resolutions to ensure Israel over the Jerusalem settlement.

Mr. Arafat said the main goal of any U.S. initiative would have to be to stop settlement construction.

"I am not against it," Mr. Arafat said when asked whether he was ready to meet with Mr. Netanyahu to try to overcome the crisis.

But, he said, the problem was how to "prevent the breaching of the peace

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## AGENDA

### France Blocks British Bid for Thomson

Invoking national security, Paris barred a bid Friday for France's leading defense-electronics manufacturer, state-owned Thomson-CSF, from Britain's General Electric Co.

Thomson will now be sold by the government to one of two competing French companies, Alcatel Alsthom or Legrand Group, and the resulting firm will be Europe's largest manufacturer of defense electronics.

GEC complained about the French action, charging that state restrictions were blocking European integration of defense industries. Page 9.

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An Act of Compassion Gone Awry

ASIA/PACIFIC Page 4.

China: Rig Stays in Disputed Area

ART Page 6.

A Glimpse at the Very First Palazzo

U.S. Clocks Changing

Most of the United States and Canada move from standard time to daylight time this weekend, joining West European nations, which changed their clocks a week ago. Americans and Canadians will move their clocks ahead one hour at 2 A.M. in each time zone. There will be no time change in Arizona, Hawaii, the part of Indiana in the eastern time zone, Puerto Rico, the U.S. Virgin Islands and American Samoa.

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The IHT on-line <http://www.ihl.com>

## Bad News for Sports-Car Salesmen: The Midlife Crisis Is a Myth

By Megan Rosenfeld  
Washington Post Service

WASHINGTON — Another cherished concept of the modern age — the midlife crisis — may soon be retired from the cliché wardrobe, stashed away in the bottom drawer with the Communist Menace and Girls Can't Throw.

Increasing but still incomplete research is showing that the whole thing is pretty much a myth.

No one is going so far as to call it a conspiracy between sports car manufacturers and unemployed social scientists, but according to recent and soon-to-be-published studies, the entire concept of a midlife brake-screaming, earth-shaking, hair-dye-

ing, bimbo-loving, job-ditching, ab-toning, Tahiti-going trauma is a bunch of booby — scientifically speaking, that is.

"Not more than 1 out of 10 people are reporting an experience in midlife called a crisis," said Gilbert Brim, director of the MacArthur Foundation Research Network on Successful Midlife Development. "Nearly everyone goes through changes. But most move through it successfully and come out with somewhat different aspirations."

Mr. Brim, 71, is heading a nine-year, \$20 million multidisciplinary project that began in 1989 to study thousands of people between the ages of 30 and 70.

The idea was that there are reams of data about adolescents and seniors but not too much about the largest midsection of life. Certain best-selling popular studies cast life as a series of predictable events (marriage, job, children, retirement and so on) that tend to produce an "is that all there is?" kind of cataclysm at about age 50, when Dad runs off with his secretary, or, in a more recent twist, Mom decides she is a lesbian and leaves to raise goats on a commune.

In fact, research is showing, middle age is the most flexible, happiest and most productive time of life. Scientists are actually confirming that we not only learn things as we get older, we solve some of our problems and understand more about life.

"Part of our agenda is to replace some of the mythology with better ideas of what really happens so organizations and individuals can make their decisions on a more sensible basis," said Mr. Brim, who runs the program from Vero Beach, Florida.

The physicians, psychologists, sociologists, anthropologists and biologists involved in the project meet three times a year, and the rest of the time communicate electronically.

They have a Web site (<http://midmac.med.harvard.edu>) and have published three books and 200 papers.

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Newsstand Prices	
Andorra	10.00 FF Morocco 16 Dh
Archie	12.50 FF Qatar 10.00 Rials
Cambodia	1.600 CFA Réunion 12.50 FF
Egypt	2E 5.50 Saudi Arabia 10.00 R.
France	10.00 FF Senegal 1.100 CFA
Gabon	1.100 CFA Spain 225 PTAS
Italy	2.800 Lire Taiwan 1.250 Dhs
Ivory Coast	1.250 CFA Tunisia 10.00 Dhs
Jordan	1.250 JD U.A.E. 10.00 Dhs
Lebanon	1.1.3000 U.S. \$ (Eur.) \$1.20



## Uncertain Mission For Albania Force

Effort Seen as a Test for Europe

By Jane Perlez  
New York Times Service

VIENNA — The multinational force that is to try to restore order to Albania will not be responsible for disarming ordinary civilians or criminals who acquired weapons during the recent insurrection, the coordinator of the European effort said. But exactly how the 5,000-member force, led by Italy and including troops from seven other countries, would operate in territory where armed gangsters rule is not clear.

It has not even been decided, for example, whether the troops would be permitted to return fire if fired upon, said Franz Vranitzky, the former Austrian chancellor who is coordinating the military and civilian efforts under the auspices of the Organization for Security and Cooperation in Europe.

[The Italian Foreign Ministry said Friday that the Italian-led multinational security force was expected to begin deployment in Albania in the week beginning April 14, Reuters reported from Rome.]

[The ministry named the date in a statement regarding the outcome of a first meeting in Rome of senior diplomats from eight countries that have either pledged troops to the force, or said they were considering tak-

ing part. The force's arrival had originally been planned for next Saturday.]

The effort to send forces to Albania, where the central government has no control outside the capital and where much of the country has dissolved into armed fiefdoms, is seen as a critical test of how the European security organization manages a volatile crisis on its doorstep.

Mr. Vranitzky, who until his resignation three months ago ran a quiet, neutral nation, said of Albania during a news conference "This is a strange country."

He added: "You are dealing with a situation unlike anything in Central Europe. You can't go to a central office and ask, how much wheat flour do you have."

Security conditions are so bad, he said, that the multinational force would start modestly from a "few points where security can be achieved in relatively short time."

The rules of engagement under which the foreign troops would operate are a sensitive question. Mr. Vranitzky said the force would not arrive with a "belligerent intent" but was coming to safeguard aid efforts and build a secure environment.

But many Albanians remem-



Italian marines in the multinational force boarding ship after a training exercise Friday.

ber that Italy, which is to contribute half the force, occupied their country during both world wars.

In a further sign of the uncertainty in which the multinational force will be operating, Hungary decided Wednesday to reject an invitation from Italy to participate. Prime Minister Gyula Horn said there were insufficient guarantees for the safety of Hungarian troops.

Washington is watching Al-

bania closely and has pushed for the Organization for Security and Cooperation in Europe, rather than the European Union, to coordinate the effort. State Department officials said Thursday. The United States is a member of the security organization.

The United States will not contribute any troops to the military mission but plans to send specialists to Albania to help organize parliamentary elec-

tions scheduled for the end of June, the officials said.

In unusually strong language, the State Department has said for several weeks that for the "good" of Albania, President Sali Berisha should step down. Although Albania is a small, impoverished country of 3.2 million people, Washington has long been concerned that instability there could foment renewed unrest elsewhere in the Balkans.

## Bombs Tied to U.K. Vote Take an Economic Toll

By Barry James  
International Herald Tribune

A British election campaign has again brought Northern Ireland terror tactics to the mainland with a bomb scare that officials said appeared to be intended to cause maximum damage to the economy.

Prime Minister John Major blamed the Irish Republican Army for the bomb threats that forced the closing of long sections of the nation's busiest highways for more than 24 hours. The IRA has a long record of attacking transportation links.

Police reopened the M1 north-south expressway Friday and allowed traffic to resume on the parallel M5 and M6 expressways after a stoppage that the Freight Transport Association estimated had cost industry £3.5 million (\$5.74 million).

Police destroyed one explosive device attached to an overhead section of highway and removed another.

Police officials said the devices could have caused serious damage and loss of life had they exploded. The bomb on the M1 was placed against a pillar close to an intersection used by up to 120,000 vehicles every weekday and the site of a new railroad link to the Continent.

The search for the bombs Thursday began after a coded warning to the police. As bomb experts began a search of bridges, ramps and overhead sections, an estimated quarter of a million vehicles were diverted onto smaller roads, creating traffic jams that trailed for hundreds of miles.

The bombs were planted in the heart of Britain's industrial belt, stretching from Birmingham, the nation's second-

largest city, to Northampton. About 20 percent of the country's exports come from the area, and many factories that depend on just-in-time deliveries were disrupted. A week ago, the IRA caused havoc on the railroads by planting two bombs on the track near Manchester and warning that bombs had been placed in the main station in the city of Doncaster.

The terrorist group, whose political wing, Sinn Féin, has been excluded from peace talks in the province, seeks to end British rule in Ulster.

The IRA planned several small bombings in London in the days leading to the last general election, in 1992. Then, after the re-election of a Conservative government, it detonated two huge bombs in London, using dozens of kilograms of plastic explosives that intelligence experts said came from Libya.

The IRA frequently uses actual or hoax bomb scares to disrupt official life in Belfast, without hitting the headlines in mainland Britain. The assault on the nation's transportation system, creating chaos for millions of people, appeared aimed at grabbing attention in the campaign leading up to the May 1 general election.

In Belfast, Sinn Féin has begun a campaign to recapture the seat in the House of Commons that had been held by Gerry Adams, the leader of the group. Mr. Adams lost the seat in 1992 to a moderate doctor, Joe Hendron, who has been a vehement opponent of violence in the province.

A spokesman for the Labour Party, which is expected to win the general election, said that a Labour government would oppose violence and terrorism "tooth and nail."

## In Zaire, France Sees the Hand of Washington

By Howard W. French  
New York Times Service

ABIDJAN, Ivory Coast — Nearly a century ago, when a British flotilla steamed down the Nile from Khartoum, the surrounding of a remote French outpost forced Paris to lower its flag there and forever abandon its colonial designs on eastern Africa.

The French have never forgotten the bitter 1899 humiliation, known as the Fashoda Incident, after the surrendered Sudanese garrison town. And today, with English-speaking countries of East Africa supporting an advancing rebellion in Zaire, many in France are warning of a similar debacle for France's position in Africa.

Throughout Zaire's six-month-old civil war, Paris has been haunted by historical setbacks dating to Fashoda. But in place of the "treacherous hand" of the British that Paris once denounced, many in France have come to see the turmoil in central Africa as a reckless, American-led drive to rearrange the political map of the region at the expense of traditionally strong French influence there.

In recent weeks, virtually every major French newspaper has published articles speculating on American support for the Zairian rebels via Rwanda and Uganda, from supposed American combat advisers killed in action to weapon supplies and logistical help.

Washington has steadily denied these assertions, which

one senior American diplomat called "hallucinations." But for many in France, each new loss by the Zairian government to the rebels led by Laurent Kabila is seen as a setback for France and the French language at the hands of Anglo-Saxons.

"Somewhere in the mountains of Kivu a new Yalta is being sketched," wrote a columnist in the Paris weekly *Jeune Afrique*, who added that from now on "it is America that has the wind in its sails" in Africa.

The irony of assertions like these, many American experts on African affairs say, is that the Zaire crisis has cast light on the Africa policy of the United States, showing it to be in considerable disarray, with Washington far from capable of thinking in grand designs.

France's anxiety, and increasing suspicion of Washing-

ton, is caused in part by the fact that Rwanda's former Hutu-led government, a close ally of Paris, was overthrown in 1994 by a Tutsi-led rebel force that invaded from Uganda, which is English-speaking.

By virtue of their years of exile in Uganda, Rwanda's new leaders typically speak English more readily than French.

Zaire, a former Belgian possession, was over a French colony. But to fully understand French passions on the country, one must recall that with 46 million inhabitants, Zaire is the world's second-largest French-speaking country, after France itself. And on or close to Zaire's flanks lie a scattering of former French colonies that remain heavily dependent on Paris.

The defeat of Rwanda's Hutu government was the first time that a French-backed regime in Africa had been militarily de-

feated by an African insurgency. And French commentators have warned that the triumph of the Zairian rebels would send powerful signals to all of France's African clients that the long era of Paris's supremacy on the continent is over.

Meanwhile, France's steadfast support of the unpopular longtime dictator, Marshal Mobutu Sese Seko, has earned the country the growing hostility of ordinary Zairians, as well as of the country's two leading political figures after Marshal Mobutu himself: Mr. Kabila and the newly named prime minister, Etienne Tshisekedi, the longtime opposition leader.

Moreover, in addition to facing the sternest challenge to his 36-year rule in Mr. Kabila's rebellion, Marshal Mobutu, 66, is believed to be dying of prostate cancer.

## Talks Are Set as Rebels Take Town

Reuters

JOHANNESBURG — South Africa announced Friday that peace talks would go ahead in Pretoria on Saturday between representatives of the Zairian government and rebels who have overrun the east of the country.

The talks had appeared in doubt following political confusion in Zaire's capital, Kinshasa, and reports of continued advances by the rebels in the mining regions of central Zaire.

The South African Foreign Affairs Ministry said that talks would start Saturday at the government's main headquarters, the Union Buildings, in Pretoria. The announcement coincided with reports that the rebel forces of Laurent Kabila, who is demanding that President Mobutu Sese Seko step down, had entered the diamond

mining capital of Mbuji-Mayi on Friday after government troops fled.

"We understand rebel forces have entered the town," said a mining source who had been in radio contact with Mbuji-Mayi. "It is in the process of changing hands."

He said most Zairian troops who had been in the town appeared to have fled westward in stolen vehicles after looting shops and the premises of diamond traders.

In Kinshasa, allies of Marshal Mobutu began moves Friday to remove Prime Minister Etienne Tshisekedi for excluding them from power in his first act since taking office this week. Marshal Mobutu refused to be drawn into the political crisis stirred by Mr. Tshisekedi, saying Friday that it was not the business of the head of state.

## Energy Minister Quits in Russia

MOSCOW — Russia's fuel and energy minister, Pyotr Rodionov, resigned Friday, leaving a post that oversaw struggling domestic oil companies and several stalled billion-dollar projects.

A spokesman for the Fuel and Energy Ministry, Sergei Slesarev, would not comment on the reasons for Mr. Rodionov's decision to go.

No replacement has been announced; Mr. Slesarev said the government press service would release a statement soon. The *Iar-Tass* news agency said Mr. Rodionov would return to the private sector but did not say which company he would join.

## Turkey Asserts Faith In German Justice

ISTANBUL — Turkey said Friday that it had faith in German justice in dealing with arson attacks against Turks, but expressed concern that recent fires in Turkish homes in the Netherlands and Germany might spawn racist attacks.

"We have confidence in the German police," the Turkish Foreign Ministry undersecretary, Onur Oyman, told foreign reporters. "We have nothing to complain of in German justice so far."

German police said earlier they had detained the father of a Turkish family on suspicion that he started a fire Sunday in the town of Krefeld in which his wife and two children died.

On Thursday, the German government summoned Turkey's ambassador to protest Ankara's criticism that

Germany was not doing enough to protect immigrants. (Reuters)

## Moscow Asks End Of Chechen Mission

MOSCOW — Russia said Friday that it no longer wanted the mission sent to Chechnya by the Organization for Security and Cooperation in Europe to mediate between Moscow and the rebel region.

The organization said Thursday that it had appointed a Danish diplomat, Rudolf Thorming-Petersen, to take over its mission in Chechnya from Tim Guldman, who helped broker a deal to end 21 months of fighting between Russian troops and separatists.

The Russian Foreign Ministry said Friday that "the need for mediation by the OSCE representative has fallen away, since there is of course a direct dialogue between the central authorities and the new leadership of Chechnya." (Reuters)

## Vandals in Slovakia Wreck Jews' Graves

BRATISLAVA — Vandals desecrated a Jewish cemetery in Nové Zámky, in southern Slovakia, overturning and damaging more than 160 tombstones, the independent daily *Sme* reported Friday.

One of the tombstones was smeared with a Nazi swastika, the paper said. It said the damage was estimated at more than 1.2 million koruny (\$38,000).

The paper said the incident happened some time last week. Neither the local police nor the Jewish community was immediately available for comment. (Reuters)

RELIGIOUS SERVICES	
<b>AMSTERDAM</b> CROSSROADS INTERNATIONAL CHURCH: Interdenominational & Evangelical Sunday Service 10:00 a.m. & 11:30 a.m. / Kids Welcome. De Custerstraat 3, S. Amsterdam. Tel: 641 8812 or 020-6451 893.	<b>BRUSSELS/WATERLOO</b> ALL SAINTS CHURCH: 1st Sun. 9 & 11:15 a.m. Holy Eucharist with Children's Chapel at 11:15. All other Sundays: 11:15 a.m. Holy Eucharist and Sunday School. 563 Chausseée de Louvain, Châin, Belgium. Tel: 322-384-3555.
<b>FRANCE/TOULOUSE</b> HOPE INTERNATIONAL CHURCH (Evangelical): 4, bd. de l'Europe, Colomiers. Sunday service: 9:30 p.m. Tel: 05 62 74 11 55.	<b>WIESBADEN</b> THE CHURCH OF ST. AUGUSTINE OF CANTERBURY: Sun. 10 a.m. Family Eucharist. Fankfurter Strasse 3, Wiesbaden, Germany. Tel: 49811 30.6674.
<b>FRENCH RIVIERA/CÔTE D'AZUR</b> NICE: Holy Trinity (Anglican), 11 rue Buffa, Sun. 11; VENICE: St. Marks, 22 av. Resistance, 9 a.m. Tel: 33 04 93 87 19 63.	<b>ZURICH-SWITZERLAND</b> ENGLISH-SPEAKING CATHOLIC MISSION: St. Antoni Church, Münsterstrasse 6, Sunday Mass: 9:30 a.m. & 11:30 a.m. Services held in the crypt of St. Antoni Church.
<b>MONACO</b> MONACO CHRISTIAN FELLOWSHIP: Worship Service, Sundays: 11 a.m. 9, rue Louis Notary, Monaco. Tel: 377 28 16 57.	<b>THE EPISCOPAL CHURCHES OF EUROPE (Anglican)</b>
<b>PARIS and SUBURBS</b> EMMANUEL BAPTIST CHURCH: An evangelical church in the western suburbs, all are welcome. 8-45 First Service concurrent with Sunday School, 11:00 Second Service with Children's Church. French Service 9:30 a.m., 12:15, 8:30 p.m. des Bords-Riviera, 92500 Rueil-Malmaison. For info, call 01 47 51 29 63.	<b>PARIS and SUBURBS</b> ST. JAMES CHURCH: Sun. 9 a.m. File 1 & 11 a.m. File II. Via Bernardo Piccini 9, 50123, Florence, Italy. Tel: 3925 29 44 17.
<b>HOPE INTERNATIONAL CHURCH</b> (Evangelical): 4, bd. de l'Europe, Colomiers. Sunday service: 9:30 p.m. Tel: 05 62 74 11 55.	<b>FRANKFURT</b> CHURCH OF CHRIST THE KING (Episcopal/Anglican): Sun. Holy Communion 9 & 11 a.m. Sunday School and Nursery 10:45 a.m. Sebastian Ring, St. 22, 60328 Frankfurt, Germany, U. 2, S. Miquel-Alba. Tel: 4969 55 01 84.
<b>HOPE INTERNATIONAL CHURCH</b> (Evangelical): 4, bd. de l'Europe, Colomiers. Sunday service: 9:30 p.m. Tel: 05 62 74 11 55.	<b>GENEVA</b> EMMANUEL CHURCH: 1st & 3rd Sun. 10 a.m. Eucharist; 2nd & 4th Sun. Morning Prayer. 3 rue de Montbail, 1201 Geneva, Switzerland. Tel: 41 22 732 80 78.
<b>HOPE INTERNATIONAL CHURCH</b> (Evangelical): 4, bd. de l'Europe, Colomiers. Sunday service: 9:30 p.m. Tel: 05 62 74 11 55.	<b>MUNICH</b> THE CHURCH OF THE ASCENSION: Sun. 11:45 a.m. Holy Eucharist and Sunday School. Nursery Care provided. Seydewitzstrasse 4, 81545 Munich (Riesing), Germany. Tel: 49 89 54 81 85.
<b>TOKYO</b> ST. PAUL INTERNATIONAL LUTHERAN CHURCH: 820 a.m. Holy Eucharist. Tel: 3261-3740. Worship Service: 9:30 a.m. Sundays.	<b>ROME</b> ST. PAULS WITHIN-THE-WALLS: Sun. 8:30 a.m. Holy Eucharist. Tel: 1030 a.m. Choral Eucharist. Rite II: 10:30 a.m. Church School for children & Nursery care provided. 1 p.m. Spanish Eucharist. Via Napoli 53, 00184 Rome. Tel: 3385 488 3339 or 3365 474 3588.
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# TRAVEL UPDATE

## Runways Blocked at Paris Airport

**PARIS (AP)** — Air France Europe ground crews blocked runways at Orly Airport on Friday to protest planned job and salary cuts. Several Air France Europe flights were delayed. A company spokesman said planes were ordered out to land because of safety concerns.

Unions of pilots and flight engineers at Air Liberté/TAT filed notice of a 48-hour strike starting Wednesday at noon.

## Pilots Union at American Satisfied

**ARLINGTON HEIGHTS, Illinois (AP)** — Leaders of the American Airlines pilots union recommended Friday that members approve a tentative contract with the country's largest domestic airline. In a 12-to-6 vote, the Allied Pilots Association executive board said the plan now would be presented to American's 9,300 pilots for a vote in the next few weeks, said Jim Sovich, president of the union.

## WEATHER

Forecast for Sunday through Tuesday, as provided by AccuWeather.



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# Clinton Defends Aides' Help to Hubbell as Act of 'Compassion'

By John F. Harris  
and Susan Schmidt  
Washington Post Service

WASHINGTON — The two senior White House aides who tried to line up lucrative employment for Webster Hubbell after his resignation from the Justice Department were acting out of compassion, President Bill Clinton said in his first public comment on the disclosure.

The two aides both received subpoenas from the office of the independent counsel in the Whitewater investigation, Kenneth Starr, late Thursday in connection with their efforts on Mr. Hubbell's behalf.

Mr. Starr is investigating whether money paid to Mr. Hubbell after he left the Justice Department was intended to buy his silence in the Whitewater real-estate investigation involving Mr. Clinton and his wife.

The White House acknowledged this past week that two of Mr. Clinton's closest aides

made calls to business contacts in 1994, encouraging them to hire Mr. Hubbell. In March of that year, Mr. Hubbell announced his resignation as associate attorney general. Nine months later, he pleaded guilty to bilking nearly \$500,000 from his clients and former partners at Little Rock's Rose Law Firm. Hillary Rodham Clinton is a former Rose partner.

The aides were Thomas (Mack) McLarty, then the White House chief of staff and now a presidential counselor, and Erskine Bowles, then head of the Small Business Administration and now Mr. Clinton's chief of staff.

Mr. Clinton, speaking briefly with reporters before a meeting with Prime Minister Antonio Guterres of Portugal, said he saw nothing improper in what Mr. Bowles and Mr. McLarty did. "They were people who were genuinely concerned that there was a man who was out of work, who had four children," Mr. Clinton said.

"And as I understand it, they were trying to

help him for no other reason than just out of human compassion."

Repeating an assertion offered this past week by other White House officials, Mr. Clinton said Mr. Bowles and Mr. McLarty had no way of knowing how serious the allegations were against Mr. Hubbell.

After his resignation from the Justice Department, Mr. Hubbell agreed to cooperate with Whitewater prosecutors. But prosecutors later were frustrated with what they called his lack of candor, and refused to recommend leniency in sentencing. He ultimately served 18 months in prison.

In an interview with the CBS News program "60 Minutes," Mr. Hubbell said that he met with the Clintons at the Camp David presidential retreat after his resignation and lied to them about the allegations against him. "I didn't tell them the truth," Mr. Hubbell said, according to CBS, which released parts of the Hubbell interview in advance of the show's airing. "I told

them I hadn't done it. I was in denial."

Among the funds Mr. Hubbell received following his resignation was a \$100,000 payment from a subsidiary of the Indonesia-based Lippo Group in June 1994.

**Smuggling Donor Was Lured by Dinner**

Jorge Cabrera, a drug smuggler who has emerged as one of the most notorious supporters of President Clinton's re-election campaign, was asked for a campaign contribution in the unlikely locale of a hotel in Havana by a prominent Democratic fund-raiser, congressional investigators have learned, Don Van Natta Jr. of The New York Times reported from Miami.

The investigators said the fund-raiser, whom they identified as Vivian Mannerud, a Cuban-American businesswoman from Miami, told Mr. Cabrera at a meeting at the Copacabana Hotel in Havana that in exchange for a contribution he would be invited to a fund-raising dinner in honor of Vice President Al Gore in an exclusive

enclave near Miami. On his return to the United States several days after that meeting, in November 1995, Mr. Cabrera wrote a check for \$20,000 to the Democratic National Committee from an account that included the proceeds from smuggling cocaine from Colombia to the United States, said the investigators, who spoke on condition of anonymity.

Within two weeks of the contribution, Mr. Cabrera met Mr. Gore at the dinner in Miami. Ten days later, Mr. Cabrera attended a Christmas reception at the White House hosted by Hillary Rodham Clinton.

At the events, Mr. Gore and Mrs. Clinton posed for photographs with Mr. Cabrera, who has two felony convictions dating from the 1980s and is now in prison in Miami on a drug-smuggling conviction.

The White House and the Democratic National Committee said the party returned the \$20,000 from Mr. Cabrera after deciding it was an improper donation.

## Regulators Clear Path for Era of HDTV

WASHINGTON — The Federal Communications Commission has formally begun the transition to digital, high-definition television — a changeover that will, in time, affect virtually every American household.

Ending more than a year of bitter debate, the commission voted Thursday to lead each of America's nearly 1,600 television stations to a second channel to broadcast digital versions of the programming that now appears only on conventional channels.

Ultimately, the introduction of digital television will render obsolete all 240 million television sets now in use across the country, since under the commission's order the television signals they now receive will no longer be broadcast after 2006. That means every consumer will most likely have to buy a digital set by then in order to continue watching television.

The first steps from television manufacturers will be large-screen home-theater models that cost at least \$2,000. Many will be far more expensive than that. But manufacturers say that prices will fall rapidly as mass production begins.

## Gephardt Hits the Trail

CONCORD, N.H. — Five months after Democrats failed to retake the House of Representatives, their leader is back on the road recruiting candidates and raising money for the next election, in 1998.

In the process, Representative Richard Gephardt, of Missouri, is reacquainting himself with old allies, courting new friends and giving party activists an early opportunity to evaluate him as a possible successor to President Bill Clinton.

Last week, Mr. Gephardt's candidate recruitment tour stopped in Iowa and New Hampshire. His appearance in both states, which are to be host of the first and second presidential nominating contests, intensified speculation about his future.

Those who know him well say he has not made a decision about running in 2000. But he has not been shy about distancing himself from the Clinton administration. He has questioned the Medicare proposal in the president's budget submission, criticized the decision to certify Mexico as an ally in the war against drugs, warned against appointing a commission to adjust the consumer price index and signaled differences over expanding the NAFTA free-trade zone to include Chile.

the Whitewater independent counsel, Kenneth Starr, is carving out a place in special-prosecutor history with his spending. In the six months ended Sept. 30, 1996, he spent \$3,049,625, bringing his total to \$22,298,708. His investigation began in August 1994, but is approaching the cost of a longer-running inquiry of favoritism in the Department of Housing and Urban Development Department during the Reagan administration. (WP)

## Nunn Tackles a Taboo

WASHINGTON — Social Security must be part of the talks on balancing the budget if Congress and the White House are serious about finding a solution to the nation's fiscal ills, former Senator Sam Nunn says.

Mr. Nunn, a Georgia Democrat, has just been named as co-chairman of the Concord Coalition, a grass-roots effort to press for a balanced budget. He suggested that Mr. Clinton invite congressional leaders to join him in a televised explanation of how baby-boom generation retirements will wreck the federal budget unless entitlement programs such as Social Security and Medicare are reformed now. (AP)

## Quote/Unquote

President Clinton recalling the little things he misses about Commerce Secretary Ron Brown, who died a year ago in a plane crash in Croatia: "It's springtime, and I can't go play golf with Ron Brown. We will never shoot baskets again... He's not here making fun of me because I had that stupid accident with my leg, and I miss that... But I can say we should be heartened by the missing, because the people we lost enriched our lives with their gifts of love." (AP)

## Special Spender, Too

WASHINGTON — Independent counsels investigating President Clinton, the first lady and other administration officials have spent nearly \$36 million in two years, logging their most expensive, six-month period yet by spending more than \$10 million from April through September 1996, according to the most recent figures compiled by the General Accounting Office.

Its report provides further evidence that



Policemen in Seattle confronting the sword-wielding man before subduing him.

## Away From Politics

• A former mental patient wielding a samurai-style sword bled the police in Seattle at bay for 11 hours before officers knocked him down with fire hoses and subdued him on a busy street. (AP)

• Two brothers on Cape Cod, Massachusetts, have been fined \$4.3 million for more than 300 violations of federal fisheries law, the largest such fraud case in U.S. history. (AP)

• A cocaine haul valued at \$23 million was found in a load of bananas at a truck inspection near Evergreen, Alabama. (Reuters)

• A bill to allow women to breast-feed in public won overwhelming approval in California amid signs that the measure could soon become law. (LAT)

• The number of bank robberies last year rose by nearly 10 percent, at a time when most violent crime across the country is declining, according to FBI statistics. (WP)

• The Tokamak Fusion Test Reactor at the Princeton Plasma Physics Laboratory in New Jersey is being shut down because of a cut in federal financing after 15 years of operation, during which its compressed hydrogen fuel reached a temperature 30 times hotter than the core of the sun. (NYT)

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## Suicide Cult Stars in Made-for-TV Movie

By William Claiborne  
Washington Post Service

LOS ANGELES — After an inexplicable — for Hollywood — delay of a week, the sure-to-be-lucrative marketing of the mass suicides of 39 UFO cultists in Rancho Santa Fe has finally kicked into high gear.

The made-for-television movie deal was disclosed Thursday.

The sale of the Heaven's Gate cultists' belongings, including the bunk beds on which many of their bodies were found, won't be far behind, either.

The office of the San Diego County public administrator said it would hold a public auction, probably next month, to sell the beds and other belongings found in the mansion to help defray the cost of investigating the mass suicide and handling the media onslaught that followed.

Nick Matzorkis, 34, owner of a Beverly Hills software firm and the employer of Richard Ford, whom police are characterizing as the only active member of the Heaven's Gate cult to survive, said Friday that he had closed a deal with the Kushner-Locke tele-

vision production company. It will result in an ABC television "movie of the week" to be aired as early as this fall.

Mr. Ford, 43, a newly hired World Wide Web page de-

signer for Mr. Matzorkis's InterAct Entertainment Group, received a Federal Express package March 25 containing two videotapes and a letter outlining the 39 members' plans to commit mass suicide.

Mr. Ford, 43, whose cult name was Rio D'Angelo and who spent three years with the Heaven's Gate group, discovered the bodies.

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During five years of captivity, former Berlin hostage John McCorty dreamt of sailing a classic Yacht. Now he and friend Sandi Toksvig take to the water in **Island Race**.

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On Wednesday, May 28, 1997, as the 50th anniversary of The Marshall Plan approaches, the International Herald Tribune will publish a Special Report on

## The Marshall Plan and its Legacy

Among the distinguished contributors will be:

- **Stephen E. Ambrose**, presidential historian and best-selling author, will provide a look back at the plan — its birth and the motives, vision and politics that drove one of the century's boldest moves.
- **Joseph Joffe**, the widely respected foreign editor and columnist of the *Süddeutsche Zeitung*, will look back at the Plan's impact on a defeated Germany, how it may have helped shape the post-war personality of its people and the nation itself, what endures today, and whether the same concepts that made such movements necessary 50 years ago can work today in the east and elsewhere.
- **Michel Crozier**, French sociologist and author, who studied at Harvard as a young man under Marshall Plan funding, will bring alive both the reality of the immediate post-war years in France and central Europe as the continent struggled for momentum and the perspective of Europe 50 years later.
- **U.S. Secretary of State Madeleine Albright** will write about what she sees as the Marshall Plan's relevance today, as governments seek a new departure for post-cold war Europe.
- **Art Buchwald**, humorist and columnist, who chronicled the high-jinks and low-jinks of post-war Paris for the *International Herald Tribune* for so many years, will remind us of what it was like there in the late 1940s and early 1950s when Americans resumed their love affair with France and poured dollars, movies and lots of other things into the continent.
- **Flora Lewis**, the distinguished columnist of *The New York Times*, will reflect upon the truly revolutionary aspect of the Plan, which was not really the ability to finance it but rather the imposition of cooperation, the forcing of a new way of working together upon countries and markets.
- **Joe Fitchett**, the IHT's veteran political correspondent, will take us through the colorful yet less grand aspects of these amazing 50 years. The by-products of the Plan were extraordinary, everything from apple orchards in France to the expansion of U.S. covert action to penetrate French Communist trade unions.
- **Barry James**, another venerable IHT correspondent, will remind us of the different ways that European countries — especially France, Italy and the UK — responded to the plan and to each other, how that era provided a glimpse of attitudes that still prevail today, and how one European in particular, Jean Monnet, sought to turn these disparate efforts and attitudes into lasting political achievements and European institutions.

For more information about advertising in this Special Report, please contact Bill Mahder in Paris at (33-1) 41 43 93 78 or fax (33-1) 41 43 92 13 or e-mail: [supplements@iht.com](mailto:supplements@iht.com).



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THE WORLD'S DAILY NEWSPAPER



## BRIEFLY

## U.S. Defense Chief Heads to Asia

WASHINGTON — Defense Secretary William Cohen will be heading to Japan and South Korea to assure two key allies of American commitment to Asia amid concerns over North Korea and restiveness in Japan over the U.S. military presence.

After flying to Tokyo on Sunday, Mr. Cohen is to meet with top Japanese officials, including Prime Minister Ryutaro Hashimoto and members of Parliament. They will review progress in the reduced role of U.S. forces in Okinawa, where 27,000 troops are based.

Mr. Cohen departs Wednesday for Seoul, where he will hold talks with top Korean leaders about developments in North Korea, where worsening food shortages have raised questions about the future of the Stalinist regime. (AFP)

## Inmates Seize Colombia Prison

BOGOTA — Former rebels and common criminals who seized control of a northern prison, killing four guards and taking a dozen people hostage, on Friday demanded bulletproof vests, a cellular telephone, parachutes and helicopters to take them to freedom.

Their leader, who calls himself Commandante Oscar, also said he wanted asylum in Cuba. At least 10 inmates seized control of the prison in the city of Valledupar on Thursday night, overpowering guards and grabbing weapons. (AP)

## Talks on North Korea Reactors

SEOUL — American, Japanese and South Korean officials will visit North Korea next week to jump-start talks on providing the Communist state with two safer nuclear reactors. South Korea said Friday.

The group of 54 officials plans to examine the reactor site in Sinpo, on the east coast of North Korea. It will join a 29-member international technical team that has been working since last month on a geological survey of the site. The \$5 billion reactors were promised in a U.S.-brokered deal in 1994 that has frozen North Korea's nuclear program. (AP)

## Peru Repeals Pro-Rapist Law

LIMA — The Peruvian Congress, heeding calls by feminists worldwide, has voted overwhelmingly to repeal a law dating from 1924 that allows rapists to go free if they marry their victims.

The bill, strongly supported by women's groups, passed by a vote of 86 to 1, though most of the opponents of the bill left before the vote.

The long-awaited vote will abolish a law that allows a rapist to escape all criminal prosecution if he persuades his victim to marry him. The law also allows all perpetrators of a gang rape to go free if only one of them marries the victim. Women's groups say scores of Peruvian men take advantage of the law every year to escape prosecution for rape, particularly in poor and rural areas. (Reuters)

## For the Record

India warned truck drivers Friday to call off a crippling four-day strike or face arrest, officials said. (AFP)

More than 2,000 children suffered food poisoning in eastern China after school officials allegedly allowed them to test a new soy milk drink for the manufacturers, a report by the Hong Kong daily Sing Tao said Friday. (AFP)

The Japanese government submitted to Parliament on Friday legislation to boost the maximum jail term to 10 years from 18 months for those trying to smuggle workers into the country. (Reuters)



NOT CRICKET — Demonstrators against the presence of an Israeli cricket team in Kuala Lumpur coming under water-cannon attack by the police Friday. The protesters were from the Malaysian Islamic Party.

## Russia Wheels and Deals Gulf Arms

By John Lancaster  
Washington Post Service

ABU DHABI — Shopping for a new submarine? Helicopters or armored vehicles? How about a truck-mounted anti-tank missile with "semi-automatic laser-beam guidance system and thermal-imaging sight for night operation"?

Has Russia got a deal for you!

Struggling to turn losses at home into opportunities abroad, arms manufacturers from Russia and other former Soviet republics are setting their sights on the wealthy Arab oil monarchies of the Gulf. In doing so, they are posing a new challenge to U.S. defense contractors, already struggling to maintain their dominance of the world's richest arms bazaar.

Low prices and increasingly sophisticated Western-style marketing methods have begun to pay dividends for Russian arms dealers.

Like their European competitors, the Russian companies also have benefited from a desire by Arab countries in the Gulf to diversify their source

of weapons, an effort that defense analysts say is motivated in part by irritation with the United States over its unwavering support of Israel.

At the International Defense Exhibition and Conference, a major arms show that ended in Abu Dhabi on March 20, the Russian pavilion was one of the biggest attractions, featuring 500 exhibits by more than 80 Russian arms manufacturers.

Glossy brochures in Arabic and English touted the virtues of such products as the Smerch multiple-launch rocket system, Kilo 9mm submarine gun and S-300V air-defense missile system. Even some Americans were impressed. "The Russians are learning how to market very effectively," said Keith Mordoff, a spokesman for Lockheed Martin Corp., the defense and aerospace giant.

As in the case of U.S. defense contractors, Russia's sales efforts are driven by the need to find new markets for weapons that its own military no longer needs. To the consternation of the United States, one of Russia's best clients is Iran, which recently

took delivery of its third Russian-built submarine.

"People in this region are interested in our submarines," said Yuri Kormilitsin, chief designer of the Rubin Central Design Bureau for Marine Engineering in St. Petersburg. "That's why we are here."

Mr. Kormilitsin, whose company built the Kilo-class diesel-electric subs used by the Iranian Navy, said that three Arab countries — which he would not name — and Israel have expressed interest in buying Russian submarines.

Although U.S. arms manufacturers generally disparage Russian military equip-

ment as technologically inferior, Russian manufacturers are beginning to make inroads with U.S. allies.

Kuwait, for example, recently bought Russian infantry fighting vehicles. And the United Arab Emirates are considering a Russian proposal for an air-defense system to protect cities.

Raytheon, maker of the Patriot, is competing for the same contract. "It's very old technology," Stephen Stanwick, manager of Raytheon's missile division, said of the Russian system.

But he added: "Their prices are very flexible. I think the competition is serious."

## Beijing Moves To Ease Tension In Hong Kong

Compiled by Our Staff From Dispatches

HONG KONG — China on Friday sent top officials on a visit to Hong Kong in a bid to ease anxieties about life under Chinese rule, now less than three months away.

In a ceremony highlighting the miniconstitution that China says will enshrine Hong Kong's civil rights and autonomy from July 1, the troublemakers painted a tableau of a benevolent sovereign who would never meddle in Hong Kong's life.

Wang Fengchao, deputy director of the Hong Kong and Macau Affairs Office, sought to lay to rest the worries of people from Hong Kong living abroad. He announced a grace period for them to return to the territory if they want to keep permanent residency rights.

An estimated 750,000 of Hong Kong's 6.4 million people have foreign citizenship. The bulk have made Canada, Australia, Britain or the United States their adopted home. If they are abroad for long after July 1, they might lose their permanent Hong Kong residency.

Mr. Wang said that China was prepared to give them a grace period, but that the length of time would be set by the Special Administrative Region, as the territory will be known under Chinese sovereignty.

There were also soothing words from the People's Liberation Army.

The political commissar of the future Hong Kong garrison, Major General Xiong Ziren, stressed that the troops would be "mainly responsible for the defense" of the

Special Administrative Region.

Britain, meanwhile, signaled that it had agreed with China on the outlines of a guest list for the joint celebration of the handover to China. A British official said the two sides would invite about 3,200 guests. (AFP, Reuters)

## China Denies Oil Rig Left Disputed Area

Agence France-Presse

BEIJING — China denied Friday that an offshore oil rig drilling in waters claimed by Vietnam had been moved out of the area before a meeting between Beijing and Hanoi next week on the dispute.

"The Kanton 3 oil rig is carrying out normal activities in Chinese waters," said a China National Offshore Oil Corp. official directly involved with the drilling project.

Reports earlier Friday said China had withdrawn the rig from the contested area in the South China Sea.

China and Vietnam will meet in Beijing on Wednesday to discuss the dispute, which flared on March 7 when the Chinese oil rig moved into the contested area, prompting Vietnam to demand that China move it.

In Hanoi, the head of the Vietnamese negotiating team, Nguyen Ba Son, said Friday that he had not received any notification of the rig's removal.

## MANILA: Battle Lines Forming Over Limit on President's Term

Continued from Page 1

ident have amazed many of his countrymen. A West Point graduate who was a dutiful official in both the Marcos and Aquino administrations, he had been seen by many people as colorless and indecisive.

But as president he has moved methodically to tame the country's problems, neutralizing long-standing armed challenges from Communist guerrillas, Muslim separatists and right-wing military officers and setting the economy on an increasingly sound footing. Mr. Ramos has opened the economy to foreign competition, ended most of its crippling monopolies and deregulated key sectors including power, telecommunications, banking, insurance, shipping

and oil. Over the past five years, the Philippine economy has moved from the negative growth rate he inherited to an expansion of more than 7 percent a year that is creating 1.4 million jobs annually.

Mr. Ramos is still struggling with what his aides say is the final and most difficult item on his agenda: tax reform in a nation where the rich and well-connected have traditionally bought their way out of paying taxes.

In December, major aid donors including the World Bank offered lavish praise of the country's progress.

Perhaps it is a measure of the country's continuing self-doubt that many people here fear the nation could slip back from these achievements under a different leader. But political analysts

are aghast at the prospect that Mr. Ramos would be succeeded by his vice president, Joseph Estrada, a swashbuckling, hard-drinking former movie actor who has little knowledge of or interest in economic issues but is popular with the voters.

It is not at all certain, however, that Mr. Ramos would seek another term even if he could. No less than Mrs. Aquino, he has been a defender of the country's democracy, turning back half a dozen coup attempts when he was her minister of defense but declining to seize power for himself.

Just as likely, some analysts say, he is keeping the country guessing so he can keep his political influence until closer to the end of his term and perhaps be able to designate his successor himself.

## GETTING ON IN YEARS, By Rich Norris

ACROSS	45 Actress Peeples	69 Warren Moon,
1 Brawl	46 "Hardy Boys"	70 A lot of time
7 Presence	47 Naldi of the	72 Norwegian coin
15 Brothers' titles	"Ziegfeld"	73 Made a lot of
19 Place	Polites	noise
20 Cleared out, in a	48 Exotic	75 "A Hard Road to
way	49 Real estate ad	Glory"
21 Matter	abbr.	athletic author
22 Reckless arrival?	50 Zero hour for	76 Baker
24 — Arenas,	Will Kane, in a	77 Loquacious
port in 93-Doom	film	80 Anatomical
25 Tropical cuckoo	51 Convened anew	passage
26 — Cat	52 Computer	81 Rump
27 Knock on the	magazine	82 Colgate rival
head	53 Biblical heirs,	83 Hall
28 Former Met	with "the"	84 Bulbous flower,
conductor Bruno	54 "No food or	for short
29 Prefix with fuel	drink" site,	85 Blue of baseball
30 Smalltown,	perhaps	86 Plans, as a
U.S.A., family, in	56 "I know it"	course
the comics	57 Storyteller	87 Muslim's House
33 Jetison	58 Grating	of God
36 Mother	59 Exchange	88 Boost, with "up"
37 Punkie	figures	89 Acting baseball
38 Figure at a roast	60 Philippine island	commissioner
41 Word before	61 Early	Bud
Rothman,	20th-century	90 Maintained
perhaps	French art style	91 Jack London's
42 "— no idea!"	66 Diamond status	"Martin"
43 Become, with	68 Alley sounds	92 Hoists
"to"		93 Hoists
		94 Glacial ice
		formation
		95 — figure
		(literally)
		96 Agent 99
		portrayer
		101 Job,
		figuratively
		103 Be a pain
		104 Reach capacity,
		slangily, with
		"out"
		105 "In other words"
		106 Decisive spa
		service?
		111 Spica's
		constellation
		112 Consign
		113 Groundhog,
		notably
		114 Staken
		115 D'Oyly Carte
		production
		116 Put in
		OOWN
		1 Causes of some
		scratches
		3 Cox of "Si,
		Elsewhere"
		3 Temporary
		talent scrutiny?
		4 Saturn, for one
		5 Their motto is
		"North to the
		future"
		8 "Keystone Kops"
		subject
		7 Alphabetic
		sequence
		40 Sky — (TV
		news aid)

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8 Sailing pronoun	43 Austrian	78 Don's world	95 Margin
9 Hall — (get	composer Berg	79 Identifying	97 Bar selection
transportation)	44 Turnout	equipment	equipment
10 Name of 11	46 Some	81 .001 inch	88 Managers,
ancient Egyptian	spurs	officially	sometimes
rulers	49 — "dear..."	82 Arrives,	100 Experimental
11 Transfix	50 Polite refusal	officially	rock pioneer
12 Actor Vincent of	51 They exist from	Burke	102 Jazz style
"Alive"	hand-to-mouth	Burke	106 — Magnon
13 "Fables in	53 Beethoven's	83 Trace	107 Part of a
Slang" author	"Solemnis"	finger-pointing	workout
14 Questionable	54 No longer dirt	88 Ancient Greek	108 Court figure:
ancestry?	55 River at Avignon	coin	Abbr.
15 Consign	57 Humble	93 Where the	109 Rural sign
16 1961 Bobby Vee	56 Schoolbag item	Bio-Bio flows	110 Lt. hopeful
hit	60 Vacuum		
17 Come before	malfunction		
18 Eyed	result?		
21 One doing a	61 Least equivocal		
balancing job	62 Prehistoric		
23 Trick	medical supply?		
28 Stimulate	65 Was shown		
31 Romantic bit of	67 Revival gear		
film making?	71 Words of		
32 Bra's look	understanding		
34 Atheist's E-mail,	record-holder		
maybe?	Steve Scott, e.g.		
35 She played	Quotations and		
Thelma in	others		
"Thelma &			
Louise"			
38 Marcel			
Duchamp			
subject			
40 Sky — (TV			
news aid)			
77 Get some coffee,			
perhaps			

Solution to Puzzle of March 29-30

1 Brawl	20 Cleared out, in a	39 Jetison	48 Exotic	67 Revival gear
7 Presence	21 Matter	40 Sky — (TV	50 Zero hour for	71 Words of
15 Brothers' titles	22 Reckless arrival?	news aid)	Will Kane, in a	understanding
19 Place	24 — Arenas,		film	74 American
20	port in 93-Doom			record-holder
21	25 Tropical cuckoo			Steve Scott, e.g.
22	26 — Cat			Quotations and
23	27 Knock on the			others
24	head			
25	28 Former Met			
26	conductor Bruno			
27	29 Prefix with fuel			
28	30 Smalltown,			
29	U.S.A., family, in			
30	the comics			
31	33 Jetison			
32	36 Mother			
33	37 Punkie			
34	38 Figure at a roast			
35	41 Word before			
36	Rothman,			
37	perhaps			
38	42 "— no idea!"			
39	43 Become, with			
40	"to"			

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# For Many Americans, Existence of UFOs Is an Article of Faith

By Barry James  
International Herald Tribune

For many UFOlogists, it's another government cover up. This month, the U.S. Department of Defense attempted once again to convince the American people that the military has not made contact with aliens. It is not harboring an alien base under the Nevada desert and is not harboring the remains of unidentified flying objects.

In fact, a Pentagon spokesman said, the military gave up the search for aliens 18 years ago because it was considered a waste of taxpayers' money.

The conspiracy theorists who abound in America and literally swarm on the Internet might point out that 18 years is about as long as little gray beings with pointy heads and wraparound eyes have been stealing people from their beds in the middle of the night and forcing them to take part in a kind of intergalactic breeding program.

The fact that most of these abductions take place in the United States, said Philip J. Klass, a longtime skeptic, is an indication either that Americans are tastier, or "we have more kooks."

Ufology began 50 years ago this summer when a pilot, Kenneth Arnold, reported sighting a formation of silvery disks above Mount Rainier on June 24, 1947. Newspapers coined the expression "flying saucers," and within a few months accounts of more sightings started pouring in by the hundreds.

Two weeks after Mr. Arnold had his vision, a rancher in New Mexico found some unusual wreckage—bits and pieces of a thin, lightweight silvery material with patterns that resembled

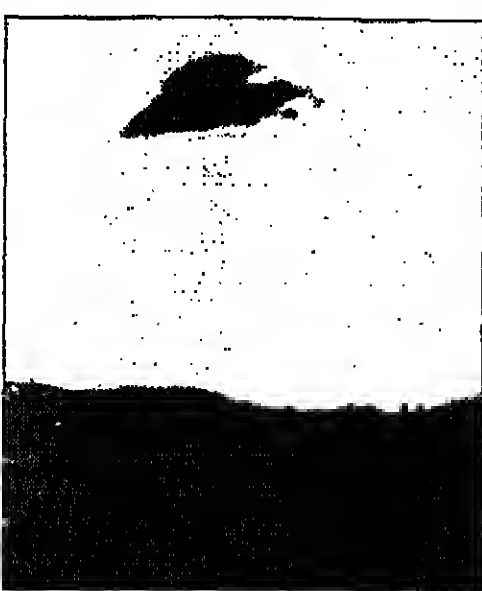
hieroglyphs. The wreckage was taken to the nearby Roswell Air Base, where a spokesman announced that the Army Air Corps had recovered a "flying disk."

Although the statement was quickly retracted, the lore about aliens spread unchecked amid the secrecy surrounding America's nuclear weapons development, and now seems as deeply implanted in the human consciousness as earlier myths about fairies, witches or demons.

Ufology, said Mr. Klass in an interview, "is a modern substitute for religion." Indeed, the California cultists who committed suicide to join a spaceship they believed to be traveling in the wake of the Hale-Bopp comet borrowed a concept believed by millions of American born-again Protestants—that at the end of the world, the chosen few will be "raptured" into heaven while the rest stay below to fight it out at the Battle of Armageddon.

Many UFO buffs are convinced that the government has recovered alien bodies and an intact flying saucer. Some say they know for sure that aliens have a base in southern Nevada known as Area 51 or more simply as Dreamland, and others believe just as firmly that the government has signed a treaty with the gray intruders—their technology in exchange for the right to abduct Americans for use in medical experiments and a breeding program. That's not all. Among ufologists, aliens are widely held responsible for the deaths of cattle, whose remains, always "surgically dissected," are left to baffle small-town sheriffs.

A few true believers, who call themselves "starseeds," are firmly convinced that they themselves ARE aliens, but hardened conspiracy the-



A photo of a "flying saucer" taken in 1951. The photographer, Guy Marquand, said he took the picture near Riverside, California.

orists dismiss them as government plants to discredit the UFO movement.

The U.S. Air Force and the General Accounting Office have both issued lengthy reports saying the wreckage found in 1947 came from a balloon used to track evidence of Soviet nuclear explosions.

As alien speculation mounted with the arrival of the Hale-Bopp comet and the suicide of Cali-

fornia cultists, a Defense Department spokesman, Ken Bacon, stated, "We cannot substantiate the existence of UFOs, and we are not harboring remains of UFOs."

Mr. Bacon said that between 1947 and 1969, as part of "Project Blue Book," the air force investigated 12,618 sightings and found no evidence that any were extraterrestrial vehicles.

What the Pentagon spokesman did not and could not explain is why so many Americans and a growing number of people around the world believe that they have been abducted by aliens. The mythology about alien kidnapping began to accrue in the 1960s with the publication of John G. Fuller's book, "The Interrupted Journey," which told how a couple, Barney and Betty Hill, were abducted off a lonely road, taken to a space craft and subjected to medical experiments.

In the 1980s, a New York artist called Budd Hopkins uncovered hundreds of similar stories by hypnotizing subjects, writing about their experiences in two books, "Missing Time" and "Intruders." He sent many of the subjects to a Harvard psychiatrist, John Mack, whose views, which he wrote about in a 1994 best-seller called "Abduction," is essentially that if people believe they have been taken by aliens it must be true. Earlier, Whitley Strieber, a science-fiction writer, told about his personal abduction experience in a best-seller called "Communion."

But like tales of childhood sexual abuse, all of these accounts have emerged under hypnosis with, critics say, a lot of suggestion from the therapists.

"There is zero hard evidence of any sort," said

a Harvard colleague of Dr. Mack, the physicist Paul Horowitz. "There are only anecdotes, experiences earnestly believed but not buttressed by any sort of real evidence."

Robert Baker, emeritus professor of psychology at the University of Kentucky, said that the abductions were real enough to those who say they experience them. "During the middle ages, they were called incubus and succubus attacks," he said. "The modern equivalent of the demons is the aliens. These are what we call waking dreams."

David Hufford, professor of humanities at Penn State medical school, said the cause is sleep paralysis. "Most people," he said, "will tell you, 'I woke up, I couldn't move. There was something frightening in the room with me. It wanted to do me harm.'"

"One person might say, 'So I think it was an alien.' Someone else might think it was an abnormal snowman. That is a matter of inference from their culture."

Bill Ellis, a folklorist at Penn State, said he believed that all people have the same kind of dreams, but the way they express them conforms to their culture. "An ancient Greek might have seen it as going up with the Gods," he said. "In 20th century America, it is seen as being abducted by aliens."

In telling their stories, Mr. Ellis said, "abductees" resort to the images supplied by Hollywood and particularly by television. Pseudo-documentary programs like the "X-Files," in which a couple of FBI agents investigate alien happenings as routinely as though they were ordinary homicides, blur the line between fact and fiction.

## Aggressive U.S. Arms Sales to Allies in the Gulf Begin to Raise Questions

By John Lancaster  
Washington Post Service

ABU DHABI — In December 1995, President Bill Clinton telephoned Sheikh Zayed bin Sultan al Nahyan, president of the prosperous United Arab Emirates, with an unusual personal appeal: Buy American.

According to U.S. government and industry sources, Mr. Clinton urged Sheikh Zayed to buy as many as 80 F-16 strike planes from Lockheed Martin Corp., the defense giant that is competing with European manufacturers for the \$6 billion deal.

Mr. Clinton's aggressive salesmanship shows his willingness to use arms exports as an instrument of foreign policy and to shore up defense industries, many of which are based in electorally important parts of the country and whose orders have tumbled off sharply since the end of the Cold War.

But the continued flow of U.S. weapons to the Gulf nations—which are among the world's biggest customers for high-technology arms—is raising questions in the Gulf states and elsewhere about the long-term wisdom of the policy.

The Gulf nations already have huge stocks of weapons, spend enormous portions of their budgets on defense, and show signs of difficulty in absorbing and using what they have bought. There are growing doubts, moreover, about whether the lightly populated Gulf countries would ever be able to defend them-

selves effectively against such larger potential foes as Iran and Iraq—or, for that matter, whether they would ever need to, given the large U.S. military presence in the region.

After the 1991 Gulf War, "everyone was expecting that we would have peace and there would be some arrangement under which the Gulf countries could reduce their arms expenditures," said Abdul Razak Fares, an associate professor of economics at United Arab Emirates University who has made extensive studies of military spending in the Gulf. "But now it seems they are returning to an arms race. There is a

general feeling that military expenditures are too high."

The United States is the world's largest arms exporter, and the six nations of the Gulf Cooperation Council—Saudi Arabia, Kuwait, Qatar, Bahrain, the United Arab Emirates and Oman—include some of its best customers.

Since 1990, when Iraq invaded Kuwait, the Gulf states have signed contracts for \$36 billion in American arms, or 32 percent of the \$110.8 billion of total U.S. arms exports over the same period, according to an analysis of Defense Department figures by the Arms Control Association in Washington.

Having gorged on U.S. arms in the first half of this decade, the Gulf countries have begun to reduce such purchases, from a postwar peak of \$14.7 billion in 1993 to \$1.7 billion last year. U.S. defense firms also face growing competition from Europe and Russia, which is shifting its marketing efforts from Iran to wealthier clients on the Arab side of the Gulf.

But U.S. arms sales remain a linchpin of the dual-containment policy that emerged after coalition forces drove Iraqi troops from Kuwait in February 1991. The policy seeks to deter future threats from Iran or Iraq by beefing up

the "forward presence" of U.S. forces in the Gulf and strengthening its allies.

To that end, the United States has sought permission from Gulf countries to stockpile military equipment for use by U.S. forces in future crises; deployed roughly 20,000 U.S. military personnel in the region, most of them on ships or aircraft carriers; sought to enhance military cooperation among the Gulf countries, and heavily promoted arms sales. American officials contend that U.S. arms are preferable to the alternatives because they are compatible with equipment used by American troops who invariably would do the major work in any conflict with Iran or Iraq. Such purchases, they add, also would help the Gulf countries fend off an attack during the weeks it would take for U.S. forces to arrive in the region in strength.

"This is a very important strategic relationship with the Emirates," a senior White House official said in reference to Mr. Clinton's call to Sheikh Zayed.

"It is an advantage to both of us to have the same aircraft for purposes of interoperability, training and for military exercises; and it's especially important during times of conflict to have the same air frames to avoid confusion among our air forces."

Strategic considerations aside, Mr. Clinton is the first U.S. president to order that proposed sales be evaluated in terms of "the impact on U.S. industry and the defense industrial base, whether the sale is approved or not," as he said in a February 1995 directive on arms-trans-

fer policy. Pentagon officials traveled to Abu Dhabi last month to promote U.S. products at the International Defense Exhibition and Conference, a major arms show featuring daily tank demonstrations and elaborate displays of high-tech weaponry from more than 50 countries.

Two U.S. soldiers in fatigues, a red, white and blue Defense Department booth while Gilbert Decker, the army's assistant secretary for research, development and acquisition, roamed the U.S. pavilion in a show of support for Textron, General Dynamics and other major U.S. defense contractors. The U.S. Navy arranged for a destroyer, the Hamilton, to make a port call while the arms buyers were in town.

"The fact is, unless we have 100 percent agreement by all the industrialized nations, if we don't deal, someone else will, and it might not be as controlled a manner," Mr. Decker said in an interview. "I think we promote stability by assisting them with their defense."

Government officials here and elsewhere generally seem to agree. "If we cannot defend our country for a week, then we do not deserve to exist," said Jamal Suweidi, director of the Emirates Center for Strategic Studies in Abu Dhabi, which is backed by the government, and an adviser to the military chief of staff.

"If you want to wait for 500,000 troops to come in, that will take a lot of time. You have to be able to defend yourself in order to wait for help from your allies."

## U.S. Sets Stage for Fighter-Jet Sales to Chile

Compiled by Our Staff from Dispatches

WASHINGTON — Easing its restrictions on sales of advanced weapons to Latin America, the United States has authorized U.S. plane makers to market fighter aircraft in Chile, Pentagon officials said.

Although President Bill Clinton would have to approve any sale of jets to Chile, it marks the first time since the 1970s that Washington has allowed U.S. companies to even enter the competition for the sale of high-tech weapons to Latin America.

No decision has been made on whether to permit the sale, the Pentagon officials said. But the decision marks a significant step in that direction.

Under the decision, U.S. manufacturers are authorized to discuss prices and classified technical data with Chile.

Chile, which wants to buy 16 to 18 jets, is looking at the French Mirage 2000-5 and the Swedish Jas 39 Gripen, but also

has expressed interest in the F-16C and F16-D, which are made by the Maryland-based Lockheed-Martin Corp.

Ending the ban is opposed by some in the State Department and the National Security Council who fear it will stimulate a regional arms race.

The Pentagon has pushed such sales on the ground that the Latin America countries now are democracies and that they have a right to upgrade their air defenses.

An administration official said Chile had set a March 31 deadline for submitting offers and that it would not be fair to deny companies the chance to bid when arms policy for the region might change.

The Chilean Air Force, which wants to buy 16 to 18 jets, was expected to make a decision by the end of the year.

The possible sale of the F-16s is strongly opposed by Argentina, the newspaper El Mercurio reported in Santiago. (AFP, Reuters)

## POLICY: U.S. Confronts Disagreements

Continued from Page 1

status" issues that are being forced onto the agenda that are explosive," said Edward Djerejian, former U.S. ambassador to Israel and Syria. He said it might be possible to develop "creative ideas on Jerusalem that could satisfy both sides," even though the issue has defied resolution for three decades, but added that they probably cannot be pursued while Har Homa construction continues.

A senior Arab diplomat said administration officials told him it would be "unrealistic" to expect Israel to stop the "construction project." He called this position "ridiculous," but Mr. Clinton and other U.S. officials have made it clear that they have no interest in putting pressure on Israel unless they get an unequivocal commitment from the Palestinians to prevent terrorism.

According to King Hussein, that is an unrealistic U.S. demand because at a time when the frustrated Palestinians are reaping few of the economic benefits they were promised when they made peace, an Israeli action such as the start of construction is "the straw that broke the camel's back."

In King Hussein's view, which he expressed in a much-publicized letter to Mr. Netanyahu last month, Israel's actions make terrorism more likely, not less.

The seeds of the problem were planted in the 1967 Middle East War, when Israel routed Arab armies and seized East Jerusalem and the West Bank from Jordan. Beginning that year with United Nations Security Council Resolution 242, diplomats have found ways to avoid deciding the fundamental question of

who owns that land. The famous UN resolution called on the Arabs to make peace with Israel in exchange for Israel's withdrawal "from territories occupied in the recent conflict"—but did not say "all territories."

In a similar sidestep, Israeli and Palestinian negotiators at Oslo agreed to defer the settlements and Jerusalem issues to "final status" negotiations, because they were too hard to resolve.

Israel has long asserted its rights to build Jewish settlements in the West Bank, while the United States, which has extensive economic and political ties to Arab countries, maintained that the settlements were an obstacle to a full peace between Israel and the Arabs. Israel annexed the eastern portion of Jerusalem and claimed sovereignty forever over the entire city, while the United States insisted that the city's future be decided by negotiations and refused to move its embassy there from Tel Aviv.

The dovish Labor government headed by Yitzhak Rabin and Shimon Peres accepted language in the Oslo agreement saying that "permanent status negotiations will commence as soon as possible." It continued: "It is understood that the negotiations shall cover remaining issues, including Jerusalem, refugees, and settlements."

To the Palestinians, that put Jerusalem in play. Their position, shared even by such Arab friends of Israel as King Hussein, is that East Jerusalem is occupied territory and Har Homa is an illegal settlement. Mr. Clinton has criticized Israel for commencing work on the project, but the United States vetoed two Security Council resolutions calling on Israel to halt work.



A Palestinian boy equipped with a gas mask aiming a slingshot at Israeli troops in Bethlehem on Friday.

## ISRAEL: Netanyahu Sees Possibility of 'Camp David'-Style Talks

Continued from Page 1

process, especially the confiscation of land, the Judaization of Jerusalem and many other issues."

The chief Palestinian negotiator, Saeb Erekat, said Palestinians were considering sending peace envoys to the United States, but added, "Although we want to pre-

serve the peace process, I am not very optimistic."

Former Prime Minister Shimon Peres, narrowly defeated in elections by Mr. Netanyahu last May, voiced similar skepticism. "In the campaign before the elections, Mr. Netanyahu and others accused me of going too fast," Mr. Peres told Israeli Army radio. Suddenly,

he added, they have "started discussing a swift pace."

"The problem in my view isn't the pace," Mr. Peres said. "The problem in my view is where do they want to go? If they're going to say 'no' to the Palestinians on everything, why hurry? We'll reach a confrontation."

Israel demands that Mr. Arafat crack down on terror-

## KOHL: Not Sitting It Out

Continued from Page 1

European integrationist. But it is hardly the only one. To reach the deficit benchmarks to qualify for the single-currency, Mr. Kohl's government must resort to another round of unwelcome reductions in welfare entitlements—steps that faces a phalanx of opposition from churches, unions, social workers and opposition politicians.

The main remedy to unemployment, a tax reform meant to lower taxes and promote growth, is stalled amid legislative gridlock with the opposition Social Democrats, who vow to veto key aspects of the plan and water it down.

Just as pressing, Mr. Kohl vows cuts in the state-funded retirement system at a time when Germans have taken to the streets nearly each week to protest economic change. And he still faces the unfinished business of German unification, with polls and other indicators registering widening social splits between East and West Germany.

"The fate of the CDU as government party and of the coalition depends upon Kohl's readiness to be candidate," the daily Frankfurter Allgemeine Zeitung commented this week.

Mr. Kohl's campaign announcement also served a political purpose. By announcing early, he put pressure on the Social Democrats to choose their candidate—a move Mr. Kohl evidently hopes will highlight internal power struggles and ideological splits among the opposition.

The chairman of the Social Democratic Party, Oskar Lafontaine, has to contend with the Lower Saxony premier, Gerhard Schroeder—a more dashing, pro-business politician. The two men have sharply diverging views on the most sensitive issues. Mr. Lafontaine is an old-style defender of European entitlements, willing to crusade for tax increases to preserve the social system, and he actively courts the party apparatus. Mr. Schroeder is openly skeptical of European integration and considered more capable of beating Mr. Kohl than is Mr. Lafontaine.

Forced to choose early, the Social Democrats could appoint Mr. Lafontaine, because Mr. Schroeder will be busy preparing for a state election next year. In popularity polls, Mr. Kohl leads Mr. Lafontaine.

The strategy, however, could backfire for Mr. Kohl. If the Social Democrats stay cool and wait until after Mr. Schroeder faces the voters in his state next March, Mr. Kohl will be deprived of an opponent, letting others snipe at him while he hits at them.

"We are not going to let them make us nervous," said the SPD party manager, Franz Mueentfering.

## VEGAS: Gambling on a Lovable Paris

Continued from Page 1

Americans chuckled in amusement.

Paris Las Vegas will pay no royalties to the city of Paris, according to Darrell Luery, president of Bally's Las Vegas (Bally's, which originated the project, is now part of the Hilton empire). Spe-

cialists and lawyers in the United States and France advised the developers that the Paris symbols that Hilton plans to appropriate in Las Vegas, and that he envisioned displays of French artworks, fashion and savoir faire.

Air France and French tourism offices may also have a presence at Paris Las Vegas.

Asked if the more than 3,000 employees of Paris Las Vegas will speak French, Mr. Luery said that they will not, but that knowledge of French "sure would help you get in the door as an employee."

## MYTH: Midlife Crisis Is Relegated to the Trash Heap of History

Continued from Page 1

Another finding is that menopause seems to be a fairly recently invented crisis. Most women barely notice it.

The problem with thinking of everything that happens to a person as a crisis is that it "tends to emphasize the struggle rather than the fulfillment," write a Cornell University professor, Elaine Wehington, and two other authors in a paper that will be published this summer in a book called "Stress and Adversity Across the Life Course."

Also, they write, "Self-reported psychological distress is, on average, the lowest

among middle-aged men and women, compared to other age groups." In lay terms, calling something a midlife crisis is just a big excuse for buying that handgilder, or a way to explain why your husband has decided to sail to Turkey on a 40-foot yawl and you have embarked on a new career as a ballet dancer.

"There is no evidence that events occur linked to chronological age," Mr. Brim said. "Anything can happen to anybody at any age."

And what Ms. Wehington refers to as the "sub-industry" of counselors and therapists devoted to helping us through our expected midlife crises may be in for some tough sledding.

Another researcher, Ronald Kessler of Harvard University said he had asked people in their sixties and seventies if they ever had a crisis, "and got relatively low levels of response."

Often, he said, when respondents did report a crisis, "it would be something like they had cancer—but relatively few woke up and said, 'I have to buy a sports car.'"

Under these new myth-busting guidelines, Pat Boone is not having a crisis by cutting a heavy-metal album and wearing a studded dog collar and leather vest, even though he happens to be 62 and known for songs like "April Love."

He's just growing and adjusting his aspirations to complement his skills.

George Bush is not parachuting out of an airplane because he's having a crisis—he simply wants to have fun. These are not crises, they are only events, in the new thinking.

Ms. Wehington and others would like to replace the term midlife crisis with a new one: turning point.

It can be positive or negative, and signify "a period or point in time in which a person has undergone a major transformation in views about the self, commitments to important relationships, or involvement in significant life roles," such as job or marriage.

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## ART

## Creating Angry Art Amid Plenty

By Alan Riding  
New York Times Service

LONDON — The cultural buzz lighting up London these days comes with unlikely thanks to Margaret Thatcher. The Iron Lady had no time for arty types, whom she presumed to be leftists bent on living off government subsidies. She frowned on official promotion of culture. And after she resigned in 1990, government spending on the arts continued to shrink under her successor, John Major.

Yet, as 18 years of Conservative rule draw to a likely close in the May 1 general election, British movies, theater, visual arts, fashion and pop music are livelier now than at any time since the 1960s. And, strangely, Thatcher deserves much credit. By imposing a Darwinian order on the arts, she forced creative talents to learn to stand on their own. And by promoting economic policies that widened the gap between rich and poor, she gave visual artists, moviemakers and playwrights something to protest about.

Most of those who have taken up this challenge are themselves very much children of the Tory years: Born in the late 1960s and 1970s, they can remember no prime ministers other than Thatcher and Major. Yet what they have to say is anything but a paean to Thatcherism. Their message is angry, rebellious and, in the end, idealistic.

"Mrs. Thatcher forced artists to say that there are more important things than money, marketing and management," said Richard Eyre, the departing director of the Royal National Theatre. "Who are the dissidents? People who say there are other values, values that you cannot live without, feelings that are not accounted for by a reductive view of society. Mrs. Thatcher said there is no such thing as society. The artist asserts there is."

BUT if British society still exists, it is also fast changing. In one sense, the market has triumphed. With the British economy now growing, there is money to be spent on clothes, restaurants, nightclubs, pop concerts and drugs. The new mania for fun, fun, fun has in turn fed the hype that London is swinging again. Yet this world of glitz is enjoyed by relatively few people.

"I have coined the phrase 'tragic hedonism' for Thatcherism," said Robert Hewison, a British cultural historian and author of "Future Tense: A New Art for the Nineties."

"What's truly subversive about it is that one million pills of Ecstasy are taken every weekend."

Young artists evoke a far bleaker Britain. Over the past 18 years, the closing of coal mines, shipyards and other labor-intensive industries has spawned a new underclass that lives on the periphery of the job and consumer market and smolders with resentment. Even the middle classes lament a society that has lost its moral compass and can no longer count on once-revered institutions, from royalty to the National Health Service.

Yet the clash of old and new has produced the raw energy that is feeding the current cultural renaissance. In the 1960s, college-educated artists spoke for the working classes. Today, many of the new voices come from humble roots and speak with the distinctive accents of the London East End, northern England,

able recognition, thanks in part to the Saatchi Gallery (where Charles Saatchi has built up Britain's most important collection of contemporary art) and the Tate Gallery's annual Turner Prize for under-50 artists.

Many new faces are also represented by galleries now, notably Jay Jopling's White Cube and Nicholas Logsdail's Lisson Gallery. Their rosters include Hirst, Steve McQueen, Marc Quinn, Sam Taylor-Wood, Chris Ofili, Fiona Rae, Angus Fairhurst, Gary Hume, Georgina Starr, Douglas Gordon, Gillian Wearing and Rachel Whiteread.

"It's hard to give them a collective identity," Jopling said. "Their work relates to an urban lifestyle, but it is stylistically eclectic. It's no longer about painting and sculpture. There are lots of installations, video work, a blurring of the lines between advertising and communica-

When "Trainspotting" came out last year, the British movie industry was in fact already stirring after the fallow 1980s (albeit still lagging behind Ireland's flourishing movie business). Channel 4 Films, originally founded to produce movies for television, such as Stephen Frears' "My Beautiful Laundrette," had begun making feature films. It proved quite daring, co-financing Neil Jordan's "Crying Game," which had trouble finding backers.

In 1994, it was rewarded with its first international hit in Mike Newell's "Four Weddings and a Funeral." With "Shallow Grave," a clever film noir, Channel 4 collaborated with the enterprising trio made up of the director Danny Boyle, the producer Andrew Macdonald and the screenwriter John Hodge.

After "Shallow Grave," the three again joined forces with Channel 4 for "Train-

also appeared in "Shallow Grave" and "Trainspotting," the movie presents itself as a comedy, but anger bursts through when the mine is shut and the band's fate is sealed.

Cheered by the prospect of a movie industry that brings in profits and creates jobs, the government has allowed revenues from the National Lottery to be used as seed money for new low-budget productions. Even more daringly, it has decided to pump \$240 million of lottery profits into the creation of four fledgling studios. For the first time in decades, British moviemakers are feeling optimistic. Indeed, there is a risk that too many British films will be made.

While the movie industry has welcomed the lottery money, the reaction of other sectors of the arts has been mixed. Legislation setting up the lottery three years ago assigned 25 percent of profits to capital expenditure on "good causes," including culture. As a result, the likes of the Royal Opera House, the Tate Gallery, the Royal Court Theatre and the British Museum have now embarked on expensive modernizations and expansions.

But because government subsidies for running many institutions are frozen or shrinking, there is a fear that there may be no artists to perform in the glittering new theaters. Already, regional theaters have abandoned their role as proving grounds for new talent; some have closed while others put on easy crowd-pleasers to insure full houses.

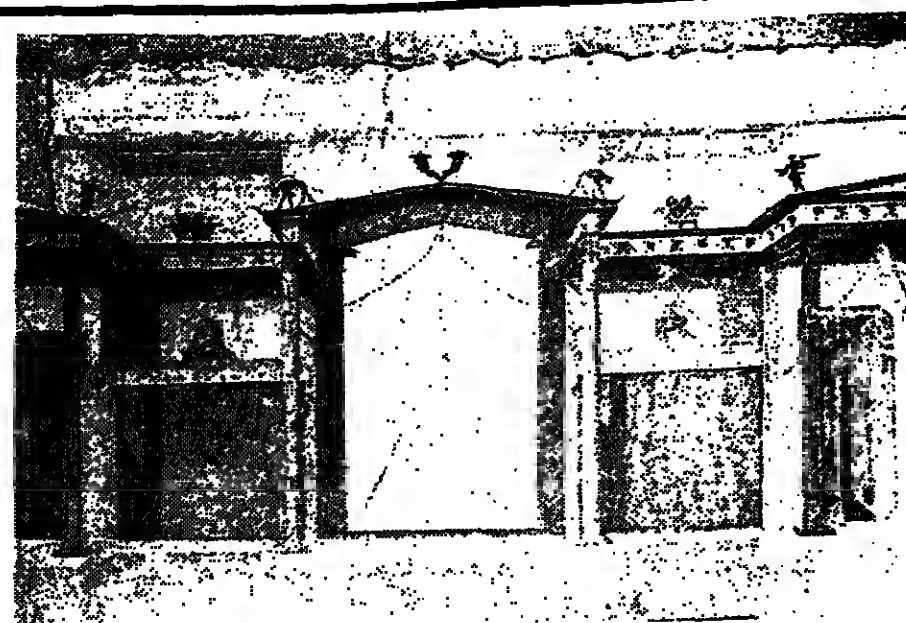
YET for all that, British theater has found ways of surviving. In London, while commercial fare fills the West End, pub theaters like the Gate and the Bush and experimental theaters like the Almeida, Donmar Warehouse and Royal Court offer more daring work to smaller audiences.

Similarly, there is a place for young directors in the small Cottesloe Theatre at the National Theatre, in the Pit at the Barbican and in the Royal Shakespeare Company's Other Place at Stratford-upon-Avon.

Most remarkable, however, has been the explosion in new plays, many of them by young men and women writing about the "downstairs" of British society. Annually, 800 are sent to the National Theatre, 1,000 to the Bush and some 2,000 to the Royal Court. Most do not get produced, but all are read and around 30 new plays are staged each year.

"We get a huge number of plays about collapsing society," said Jack Bradley, the literary manager at the National Theatre. "Perhaps that's why people choose to write plays in this country. Because they're opposed to the status quo. But the plays are not political as such. There's an ideological vacuum, indeed a disbelief in a larger society."

Today, Britain is bursting with new talents anxious to disrupt the feel-good mood of "swinging" London. The next few years will determine which ones will be remembered.



Frescoes in the House of Augustus in Rome.

First Palazzo in History  
Rare Glimpse Into Life of AugustusBy Roderick Conway Morris  
International Herald Tribune

ROME — The Palatine Hill is even now one of the city's most delectable spots, and it is not surprising that some of ancient Rome's leading citizens, including Cicero and Antony, had homes on it. Octavian, later to be Augustus, Rome's first emperor, was born here, and when he rose to power he made a more extensive residence on its slopes, founding, in name at least, the first "palace" in history, since "palazzo" and "palace" derive from the name Palatine.

Subsequent emperors' palaces were superimposed on the hill, with the result that the exact location of Augustus' original one was not rediscovered until relatively recently and has been systematically excavated only over the past few years — a process that has unearthed two remarkable frescoed reception rooms and Augustus' studio, or private study, to which he used to go to seek solitude and to write.

Since excavations are still under way, this area of the Forum is closed to visitors, but as part of the annual Cultural Heritage Week, when all Italian state museums and sites are open free of charge, the House of Augustus along with a number of other monuments not normally accessible to the public can be visited. (Cultural Heritage Week runs from April 14 to 23. Details of opening can be obtained from local soprintendenza and tourist information offices.)

Augustus began his career as a staunch republican, and even after he effectively achieved absolute authority, he modeled his lifestyle on that of an unostentatious public magistrate, advocating moderation and the virtues of the Rome of old. He built a magnificent Temple of Apollo on the Palatine, but his own quarters next door, found below the remains of the temple's plinth, turn out to have been fairly modest, in keeping with the image he strove to project.

Two public rooms of the residence so far opened up have some intriguing frescoes, with finely painted architectural and perspective views evidently modeled on the actual scenery, as are the masks that appear. The rustic scene centerpiece in the Room of the Masks figures a bizarre, futuristic, canister-like object with tapering ends, which is believed to be an arcane representation of Augustus' protecting deity, Apollo, other examples of which have been found in North Africa.

But the pièce de résistance is the emperor's study on the floor above. Irene Iacopi, who has been leading the excavations, said, "The Emperor Domitian built his palace more or less directly on top of the

House of Augustus, which was fortunate in a way since, though this led to the destruction of parts of it, others were buried and left undisturbed for nearly 2,000 years."

Augustus' vaulted study turns out to be only a few yards square, but decorated with some of the most exquisite and delicately executed frescoes that have survived from the ancient world. They were almost certainly the work of a Ptolemaic painter who came to Rome from Egypt after Octavian's defeat of Antony and Cleopatra.

A passionate reader, with an extensive library in other rooms in the house, Augustus also wrote a number of works, including an autobiography (now lost). His study would still make the perfect place to retire and write and, as Iacopi commented, "Of course, this has been a very exciting archaeological discovery, but it's just as important perhaps for what it tells us about the man and his times."

If the House of Augustus was the mother of palaces, the Appian Way, the *regina viarum* (queen of roads), was certainly the first and most celebrated of the great network that eventually ran the length and breadth of the Empire. Begun in 312 B.C., it was extended to Brindisi by 190 B.C. and immortalized in verse in quirky fashion by the Augustan poet Horace, who made the whole journey from the capital to the Adriatic coast.

The Appian Way originally began at the foot of the Palatine, and there were plans as early as 1887 to include it in a protected archaeological park, which would have embraced a large area from the Forum and Coliseum to the Caracalla Baths and the city walls. Rome's Archaeological Superintendency is still, more than a century later, trying to make this park a reality, and indeed to continue this protected area for the first miles of the road beyond the walls, and in further sections of the road (much of which is in an excellent state of preservation) all along the route to Brindisi.

HOW worthwhile this project would be is shown by "The Appian Way: On the Ruins of Ancient Magnificence," at Palazzo Ruspoli (until June 29), which has a sampling of the rich archaeological finds that have been unearthed by the roadside and demonstrates that the developments that grew up along the way through the centuries — from imperial palaces and pagan cemeteries to Christian basilicas and catacombs — made it much more than just a thoroughfare. Since early March the initial 15-kilometer (9-mile) stretch of the road has been closed to traffic every Sunday, and the success of this experiment with the public will, it is hoped, give new impetus to the permanent archaeological park.



Detail of a fresco.

## BOOKS

## BECAUSE THEY WANTED TO: Stories

By Mary Gaitskill. 254 pp. \$22. Simon &amp; Schuster.

Reviewed by Carolyn See  
I KNOW that Mary Gaitskill isn't for everyone, that she's got a reputation as a rowdy and a provocateur whose ideas about sex are — to say the least — startlingly innovative. Nevertheless, I found this collection of short stories to be affectionate, charming, thoughtful and (one of Gaitskill's favorite words here) tender. The author's intention would seem to be to go beyond the world of girls with shaved heads, tattoos and flesh-cutting devices, and women who identify themselves as "femme top" or "butch bottom" when they're getting to know each other at cocktail parties.

The first story, "Tiny, Smiling Daddy," is told from the point of view of a father, aging and glum, who learns from one of his buddies that

his daughter has written a "letter" to him in the pages of *Self* magazine. With heavy foreboding, he goes out to buy the periodical, his mind full of dark thoughts. Doesn't she know how much his privacy means to him? Indeed, she mentions, in earnest, self-help prose, that she's a lesbian and that, since he'll never understand that, she's had to learn how to parent herself. We find out in flashbacks about the hows and ins of his raised daughter on her in the past, but more sadly and inevitably, we also learn that he's had a habit of turning "the edge of one nostril over with his thumb and nervously stroking his nose hairs with one finger."

The poor man is repellent beyond words, a model for why girls might turn away from men. Many of the females in these stories run away from home at the age of 16. There's often no reason given, merely that life at home is intolerable. Homeless and penniless, meeting murderous maniacs in public parks — all that is much better than what these heroines have left behind.

But if anything, the men in Gaitskill's world are more victimized by the quotidian flow of events than the women. The expectations put upon them, the enormous amounts of flattery and adulation

they're force-fed as children and youths would make freaks of anyone; the boys can't help it, Gaitskill might say.

In "Orchid," a lesbian social worker named Margot lives alone, trying to ride out a broken heart. She works hard and eats healthy home-cooked meals, impersonating a good and normal human being. By chance, she runs into Patrick, an old friend from college. Patrick used to be handsome and charming, magical and enchanting. Now he's a famous nitwit, and that's on a good day. After weeks of trying to put together an adult friendship with him, Margot thinks with exasperation, "How had her lighthearted, lovely bete noire become this silly man?" But in flashbacks, we see that he's been told so many times that he's God's gift to women that he really has begun to believe it.

On the other hand, men can be tortured and haunted by the sexually extravagant Gaitskill women. In "The Dentist," a frisky femme fatale goes to get a wisdom tooth out and during that trying operation becomes obsessed with her dentist, a nice, pleasant, reasonably heterosexual guy. She peppers him with small talk about molestation, masturbation, body piercing and what have you until, almost "apoplectic with

fear," he cries out: "Why are you always saying these strange things to me? What do you want? Why are you always talking about sex?"

These poor men don't get it, Gaitskill seems to be saying. Either they're cruel or repellent or silly or hopelessly out of it, or they don't laugh at the right jokes. What's a girl to do? Sex with men doesn't work, and with women it's hampered by role-playing. Can there be life beyond his back leather and body piercing, role-playing and "mechanical" sex?

In a four-part novella, "The Wrong Thing," the author follows the fortunes of a nice bisexual lady just on the edge of getting too old for the standard run of Gaitskill shenanigans. She hangs out in a nice life, partying, drinking, writing, flirting, romanced by a vacuous young man and an interesting young woman. The heterosexual paradigm of domesticity is out of the question for her. (That way lie cranky husbands who pat the hair in their noses.) But what is possible? How does one find love and contentment? Gaitskill's answer, though tentative, is affectionate, charming, thoughtful, tender.

Carolyn See wrote this for *The Washington Post*.

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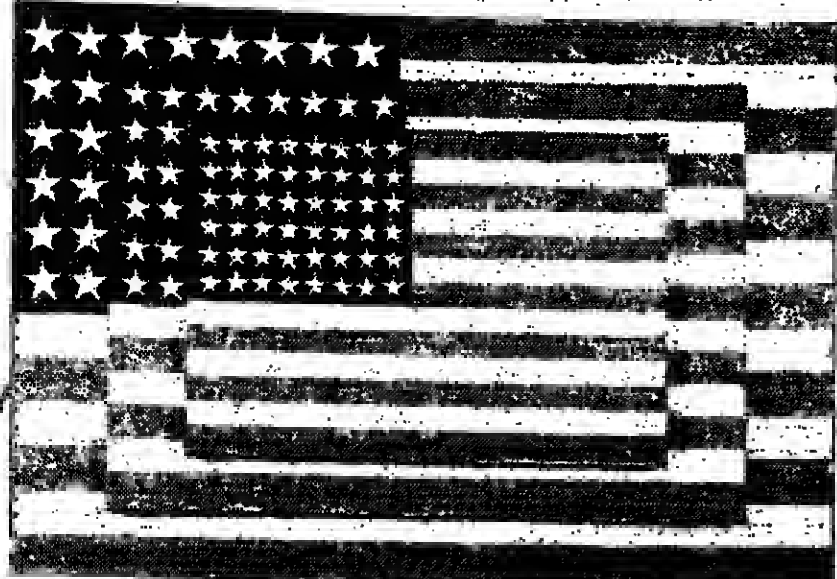
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One of Jasper Johns's "Flag" paintings, done in 1954-55.

## A Very Odd Couple On Show in Cologne

By David Galloway

COLOGNE — Coincidence or not, this city's parallel retrospectives for Keith Haring and Jasper Johns raise a number of critical reflections that neither show would have prompted on its own. At first glance, the two painters seem to come out just from different generations but from different worlds. Enigmatic and ascetic, Johns has been known to brood over a single work for years, while the hip-hopping Haring could dash off a vast composition in a matter of hours.

The artist as reclusive genius and as public performer are two of the polarities these shows illuminate. Yet the two figures also have something in common. Steeped in art history, both Johns and Haring quote from their favorite works, sometimes with the help of a collage.

Such allusions are also an aspect of autobiography, which may figure directly in the choice of motifs. But where Haring made explicit use of his enthusiasms and experiences, including his homosexuality, Johns frequently encodes the allusions. Without footnotes, viewers are unlikely to recognize the gridded pattern on a canvas as the floorplan of his grandfather's house.

The introvert and the extrovert also share the desire to explore new mediums. Although the Haring retrospective at the Cologne Kunsthalle documents only his printed works, the 204 examples on view use virtually every known technique, from silkscreen and lithography through drypoint, etching, engraving, embossing and photo-printing. Correspondingly one encounters images that range from the ubiquitous "Radiant Baby" to the tormented surrealist visions Haring conceived to illustrate William S. Burroughs's apocalyptic tale of "The Valley."

Printed works by Johns take up two galleries at the Museum Ludwig, but the true appeal of this retrospective is in seeing the artist's painterly evolution, documented in 200 canvases dating from 1954 to 1994. The early "Flag" paintings, which once scandalized tra-

ditionalists, have long since acquired an old-masterly aura. According to their creator, a dream about the American flag inspired the first of these works. The "found" composition, stripped of patriotism, pathos and perspective, provided a formal pictorial structure for the intricate gestural approach Johns was then developing. Targets, maps and numbers would serve a similar function.

Johns sought, in his own words, "to paint things people knew but didn't know," in order to provoke "a shifting focus of the eye." Unlike such contemporaries as Andy Warhol, Roy Lichtenstein or James Rosenquist, he never celebrated the trivial. Within his relatively restricted spectrum of images, there are no movie stars, comic-book heroes or consumer icons, beyond a tongue-in-cheek pair of beer cans. Furthermore, at a time when Pop pioneers were experimenting with the flat, anonymous surfaces made possible by the new acrylic paints, Johns was working in the ancient and complex medium of encaustic.

ONE characteristic of this hot-wax process is that every brushstroke maintains its distinct profile, and the entire canvas seems to acquire a voluptuous "skin." Nothing could be more remote from the calculated anonymity of Warhol and Company. Johns's rigid distinction between his "serious" painting and his early, highly successful commercial work was also foreign to Warhol, as it was to the Pop Shop proprietor, Keith Haring.

It thus seems bizarre that the Museum Ludwig is touting the subject of its show as "the father of Pop Art." Not just in theme and technique but also in composition, the works following the flags and targets would increasingly reveal a baroque pictorial imagination. There is also a growing tendency to cannibalize motifs from earlier works, so that a single canvas can become a mini-retrospective in its own right.

David Galloway is an art critic and free-lance curator based in Wuppertal, Germany.

## How Deep Will the Excavations Go? Museum-Quality Chinese Art Is Main Presence at Asian Fair

NEW YORK — As the Asian Fair closed its doors at the Armory, few seemed to give much thought to the unique set of circumstances that made its huge success possible. While Chinese art was not the intended focus, its presence was overwhelming. If a show ever made the point that it is the only major art in the world that remains available at superlative museum level, this was it.

One reason for this abundance of artistic treasures for sale leaped to the eye. Excavated objects were to be seen

would stand out anywhere among vessels of that period and category.

Yet, for magnificence in archaic bronzes, it was Gisele Croes of Brussels who won hands down. A pair of squat jars rising from a square base represented all by themselves a hitherto unknown school of metalwork, probably of the fifth or fourth century B.C. And while a large circular basin, 58.5 centimeters (23 inches) across including the projecting handles, may be of a well-known type, the sheer beauty of its abstract pattern cast in low relief as well as the condition make it one of the top-ranking pieces at that period anywhere in the world.

For the first time perhaps, the discoveries in the field of figurative art at the fair and, more importantly, in a string of selling shows put up by dealers across town, matched in importance those regarding archaic vessels. On Croes's stand, an earthenware dancer painted in white, red, pink and black over an ivory-colored slip from the Western Han period (206 B.C.—A.D. 9) displayed a sculptural mastery in the face surpassing that of most Western Han art known so far.

The school was first revealed to the West at Ekenazi in London in 1995, and Ekenazi it was that led again, this time, for splendor and surprise. On the premises that the dealer had rented at 28 East 78th Street for a solo show, two large-size figures of attendants from that same school of earthenware sculpture had a hypnotic effect. With their hands joined, concealed in their ample sleeves, and their eyes seemingly staring at some illuminating revelation, they rank among the early masterpieces of Chinese figurative art in the round. More astonishing though were three figures from the same workshop, seated on their heels, hands raised in some ritual gesture reminiscent of the Middle Eastern prayer posture, their lips parted as if, indeed, to chant sacred texts. Their impact was instant. All the figures but one sold on the opening night on March 19, three days before the fair started.

Yet even these pale by comparison with the great revelation of the month, which appeared on March 28 in the window of the E&J Frankel Gallery on Madison Avenue. The roaring chimera of the seventh century, 100 centimeters high, is not just the largest wooden animal carving from Tang China discovered so far. The medium has allowed the sculptor to give it a liveness and an expressiveness in the rendition of unleashed fury that is breathtaking. After illicit digging, the second factor that unloaded on the market many rarities is the Cul-



Detail of Tang period wood chimera, seventh century.



Earthenware attendants from the Western Han period, 206 B.C.-A.D. 9.

nural Revolution. Without the tornado that wrecked patrician houses and temple halls by the thousands, Ming and early Qing furniture of the splendor seen of late in the West would probably never have been let loose. On the stand put up by Grace Wu Bruce of Hong Kong a late 16th-century raised platform with openwork canopy made to serve as seating furniture in the daytime and as a bed at night outshone any offered so far. A repeat pattern based on the swastika motif that appears on the low sides is replicated on a bigger scale in the canopy, making the bed a gem of Chinese design at its most ethereal.

A THIRD factor accounting for the current availability of Chinese art of a high order is the changing taste in the West after four centuries of steady Chinese art imports. Those who owned works of art as a picturesque addition to their decor are losing interest in exotica. The same works looked at differently find a new life. The two blue and white dishes with radiating patterns of the Kangxi period, larger than any known, which Michael Pashby of the Santos Gallery, London, exhibited, will probably end up in a museum. They reached Europe a long time ago. So did the pair of tobacco-brown lacquer palace chairs with openwork scroll backs exhibited by Michael Gillingham and Roger Keverne, also of London. The 18th-century seats used to grace an old English collection. Their greatest rarity, a 60-centimeter bronze figure of a seated Kwanyin cast in 1572, unique for its date within the short

Longqing reign (1567-1572), gave an Oriental whiff to the garden of a Boston house only a short while ago. Now, rare Buddhist statues are no longer thought of as props for outdoor decoration.

Even furniture made for the European market is seen in a new light. A bureau covered with Canton plaques painted in light, delicate hues took center stage on the stand of S. Marchant & Son of London. A garde robe scene with Chinese literati points to the early years of the Qianlong reign (1736-1795). It stood, John Marchant says, in a Shropshire country house where it was "reputed to have been since new."

The ultimate discovery among works reflecting the impact of Europe was a set of four cloisonné enamel figures of Old Testament prophets holding tablets with Biblical quotations in Chinese. Khalil Rizk of New York dated the figures to the "Qing Dynasty, 18th/19th century." But the sculptural handling, purely European, which is based on Roman models, allows greater precision. It suggests the time when Giuseppe Castiglione and other Jesuits were active at the court of Qianlong. The quote from Isaiah inscribed on one tablet, "Behold a virgin shall conceive, and bear a son, and shall call his name Immanuel," would support the connection.

Was this set made for a Chinese Christian? Or was it ordered, if not even made in part, by a European Jesuit? James Watt, the Chinese department curator at the Metropolitan Museum, may know the answer. In any case, he had no doubt that these are museum pieces. Watt bought them there and then.

## A Watteau Discovered In Chicago

Compiled by Our Staff From Dispatches  
CHICAGO — The Art Institute of Chicago has found a major work by an 18th-century French master in its collection.

The painting, "Fete Champetre," has been authenticated as the work of Antoine Watteau. It was given to the museum in 1954 and attributed to an anonymous "follower of Jean Baptiste Pater." Pater was a pupil of Watteau.

Two years ago, researchers began to investigate the work, which was badly clouded with varnish. The institute said a scientific examination and X-ray analysis had proven it to be a Watteau, one that, because of the scarcity of his work, the museum would be unable to afford today.

Scholars from other institutions, including the National Gallery of Art in Washington and the National Gallery in London, have examined the painting and back the attribution, although some suggest that Watteau may have allowed his pupil, Pater, to finish some of the figures.

Further substantiation of the Watteau attribution came from Pierre Rosenberg, director of the Louvre in Paris. In a 1773 auction catalogue now in the Bibliotheque Nationale in Paris, Rosenberg found a reference to a work ascribed to Watteau that almost certainly can be identified as the Art Institute's painting, the museum said.

This is the second major discovery in the museum's collection in recent months. The first was that of a drawing by the Renaissance master Raphael. (Reuters, AFP)

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## EDITORIALS/OPINION

# Herald Tribune

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## Quid Pro Quo

All the parties to the Middle East negotiation see a looming crisis, and Israel's prime minister, Benjamin Netanyahu, is due in Washington with a rescue plan. He would park the broken-off talks on the Oslo accord for a Palestinian-Israeli interim settlement and open crash talks on the big permanent settlement issues — Jerusalem, Jewish settlements, Arab refugees, borders, security. Mr. Netanyahu hopes for an accord in six months, perhaps with American help at a Camp David-like pressure-cooker finale.

Strange things happen in the Mideast, and so you cannot say this idea could never work. But very strange and unlikely things would have to happen for the Netanyahu plan to produce a breakthrough. The "don't think there is any new magic in the step-by-step process that he would at least temporarily abandon, and there has been plenty of frustration and disappointment in it. But we also think there is a huge and even determinative shortage of the trust needed to make either incremental or comprehensive talks prove useful. Day One would bring the statement of starting, maximal bargaining positions. Day Two? And if the new talks fail? Go back to Oslo?

Yasser Arafat has slyly altered Oslo's terms in some respects and has failed to keep the Palestinians' anti-terrorism of the bargain. But Israel, too, has played a big part in undermining the Oslo process, and it now, to save bargaining chips, wants to put off the "redeployments" devised at Oslo and to move to a new venue. Israel also,

by adding a Jerusalem housing project that Labor governments had avoided as inflammatory, has unilaterally mooted later negotiation on Jerusalem, and has otherwise doled out territory so scanty and gerrymandered as to mock the idea of a feasible Palestinian state.

Ask why the current negotiations are flagging. The Palestinians are failing to provide the Israelis with adequate security. This is a fact and a very consequential one. It has understandably made some Israelis doubt that a safe peace is attainable, while others use the Israeli occupation and Palestinian equivocation to press claims, by construction and by confiscation, to extensive territory claimed by Palestinians, too. Palestinians step up the inexcusable violence, and more Israelis conclude that territory is better than a dubious peace.

This seems like an unbreakable cycle, but the familiar internationally approved formula of land for peace suggests at least the possibility of a way out. Peace requires greatly improved security for Israel — there is no doubt about that, and it is out and should not be negotiable. Land means political expression for the Palestinians. These things are achievable if the United States will press the Palestinians hard to stop playing games with terrorists and press the Israelis hard to stop conducting a unilateral annexationist policy. Palestinian responsibility on peace would make Israel readier for compromise. Israeli easing up on land would undercut the terrorism. This is what Mr. Netanyahu needs to hear from Mr. Clinton.

—THE WASHINGTON POST.

## Latin Militaries

As Defense Secretary William Cohen continues his predecessors' efforts to adapt the Pentagon to a post-Cold War world, he must pay special attention to modernizing its relations with Latin American militaries. Few aspects of defense policy were more poisonous than the Pentagon's support for abusive and anti-democratic Latin officers.

During the first Clinton administration, officials at Defense made a start in abandoning this Cold War policy. But they have a long way to go.

The Pentagon has shifted its focus to the promotion of democracy and civilian control of militaries. Vestiges of the Cold War remain, however. The most notorious is the School of the Americas, now in Fort Benning, Georgia. For decades, U.S. officers trained Latin American soldiers at the school to fight Marxist guerrilla movements and built ties that ensured Latin militaries would be dominated by friends of the United States. At times, the trainers used manuals advocating blackmail, torture and the arrest of anti-American politicians.

The school is no longer teaching torture, and its courses now emphasize not

counterinsurgency but tank repair. But the Pentagon has not repudiated its old practices as thoroughly as it should. The school should be closed and its legitimate training functions transferred to Latin America. The school continues the Cold War policy, now completely unjustified, of making military relations the central point of contact between U.S. and Latin governments. This focus is still a threat to fragile civilian control of Latin militaries and encourages abuses.

Secretary Cohen also needs to ensure that American military officers based in Latin America do not undermine the Pentagon's new pro-democracy policies. During the Cold War, many of them identified too strongly with their Latin counterparts and winked at abuses. Some still do, especially in informal socializing. The Clinton administration should also stop putting Latin militaries to take over the drug war and spend their nations' scarce resources on high-tech American weapons.

Instead, Washington should be helping civilians shrink their militaries and urging soldiers to accept the cuts.

—THE NEW YORK TIMES.

## Assault on Immigrants

Most of the recent criticism of America's immigration policy has focused on the new welfare reform law's mean-spirited limits on public assistance for legal immigrants. But the broad immigration bill that took effect this past week may turn out to be a graver threat. The law strips even legal residents of the right to go to court to challenge decisions on deportation by the Immigration and Naturalization Service. It also attempts to remove most judicial checks on the INS, an agency with a record of mismanagement, discrimination and brutality.

The law, passed last fall, was an attempt to keep immigrants from using lengthy court procedures to prolong their stay. It also sought to shield the INS from legal challenges to its practices. Immigration lawyers are already suing to block parts of the law from taking effect, and more suits are likely.

The law is so confusing and contradictory that the Clinton administration's decisions about how to enforce it assume special importance. So far, administration policymakers and Justice Department lawyers have largely pushed for the harshest possible interpretation, perhaps to avoid being seen as pro-immigrant.

One of the law's most pernicious aspects is its attempt to ban certain class-action injunctions. Those would keep the INS from violating the law in its deportations of people seeking to enter the United States and certain groups of recently arrived illegal im-

migrants. Only individual lawsuits are now allowed. This removes what has been the most important safeguard against discrimination and abuse. Such an injunction, for example, stopped the INS from denying Haitian boat people the ability to seek political asylum.

In some cases, the law seeks to block individuals from going to court to challenge their deportations. Immigration officers can pick up people on the street and detain and deport them without a hearing if they cannot prove they entered on a visa or have been in the country for two years. Legal residents can be deported if they have been convicted of a crime or two offenses of moral turpitude, which could include jumping a subway turnstile. Most of these cases turn on decisions by INS examiners that cannot be argued before a court.

Perhaps the law's worst flaw is that it denies access to the courts will make it much harder for those fleeing political persecution to win asylum.

Perhaps this law will be overturned by the courts. In the interim, the administration should apply it with compassion and flexibility.

This law won political passage by attacking an unpopular group. That, historically, is how more widespread deprivations of rights have started. The law is not just an assault on vulnerable people who deserve protection from abuse, but a threat to the liberties of all Americans.

—THE NEW YORK TIMES.

# Life Support Urgently Needed for the Mideast

By Gideon Rafael

JERUSALEM — The Middle East peace process is in deep trouble. It is out in temporary recess; it is in regression.

What is the reason? Is it the "green light" allegedly given by Yasser Arafat to terrorists to resume business — the story flashed around the world by Prime Minister Benjamin Netanyahu? Or is it perhaps the "red light" stopping implementation of the Oslo peace accord, Mr. Netanyahu's decision to create new fait accomplis in Jerusalem?

Mr. Arafat's record arouses the suspicion, whenever terror strikes Israel, that he has unleashed it, if not directly then at least by acquiescence. But the actions Mr. Arafat undertook against militant Palestinian organizations after last year's suicide bombings cast doubt on the prime minister's charge.

Be that as it may, the success of the fight against Palestinian terrorism depends to a large degree — as experience has shown — on the cooperation of both sides. This requires a basis of trust and discretion.

Mr. Netanyahu, though he professes adherence to the Oslo agreement, has never concealed his contempt for it. This formed a centerpiece of his elec-

tion propaganda. "The Oslo accord," he proclaimed, "sticks like a knife in the back of Israel" because it seeks the settlement of the Israeli-Palestinian conflict by the partition of the country.

Such an approach is fiercely rejected by those, like Mr. Netanyahu, who believe in Israel's divine right to rule the land from the sea to the Jordan River. Such people form the core of Mr. Netanyahu's coalition and limit his freedom of movement.

In attempting to free himself from the fetters of the Oslo agreement, Mr. Netanyahu has built up a formidable arsenal of political tactical weapons, alternately procrastinating, prevaricating and taking unilateral actions that humiliate the other side and fan the fury of the Palestinian people.

One of Mr. Netanyahu's principal aims is to saddle Mr. Arafat and the Palestinian Authority with the responsibility for the collapse of the Oslo peace process. Criticized worldwide for proceeding with the Har Homa Jewish housing project in East Jerusalem, Mr. Netanyahu turned on the

"green light" charge when Arab violence ensued.

Now, Mr. Netanyahu proposes to speed up final status negotiations, finishing them in six months.

His aides also hastened to add that all the Palestinians could expect in the final settlement was about 50 percent of the West Bank, and not contiguous areas that could comprise a sovereign state but areas interspersed with Israeli-controlled settlements. Jerusalem's present status would be uncontested, they added.

Since Mr. Netanyahu cannot expect the Palestinians to accept such a solution, it is obvious his plan for speeded-up negotiations is just a ploy to reduce international pressure on him and to place responsibility for Oslo's demise squarely on the shoulders of the Palestinians.

Unless urgent, radical change occurs, the peace process will wither away and violence will reign. The Palestinians will continue to suffer the hardships of occupation; the Arab world will seethe with unrest; the region's economic growth will wane; the position and influence of the United States in the Middle East will be se-

riously harmed, and Israel will dwell in splendid isolation, deprived of the prospects of peace and security. Protected by American benevolence and vetoes, though, it will be in command of Har Homa.

Again it has become manifest that, as in all previous Arab-Israeli crises, the settlement of the conflict is too heavy a load to be lifted by only the parties directly involved. Too much is at stake in the present crisis to let it be treated with benign neglect.

Tranquilizers dispensed by the American diplomat Dennis Ross — which in any case none of the excited patients is willing to take — will not calm the tempest. The rescue of the peace process demands the urgent dispatch of life-support equipment, under orders of President Bill Clinton.

Arab-Israeli peace will never be achieved by bomb and bombard, nor by stealth and arrogance. Its building blocks are trust and compromise.

The writer is a former director-general of the Israeli Foreign Ministry and a former ambassador to the United Nations. He contributed this comment to the International Herald Tribune.

# The Political Lessons of the Gingrich and Gore Visits to China

By Jim Hoagland

WASHINGTON — Newt

Gingrich has come close to pulling off a neat political stratagem that has thus far eluded Bill Clinton and Al Gore. Understand how and why, and you understand much about the problems of perception and performance that plague the Clinton White House.

The scandal-damaged House speaker has used a foreign policy trip to refurbish his image, change the subject and direct attention away from his own problems, at least temporarily. In China, Mr. Gingrich's straightforward delivery of his distaste for dictatorship won him favorable attention in the U.S. press and the grudging acceptance by his Chinese hosts of his right to differ with them.

Mr. Gingrich gained respect for what he did and said in China and Taiwan. It may well not save him from the storm that is breaking on Capitol Hill, or perhaps the speaker's refusal, or perhaps his inability, thus far to pay a \$300,000 penalty imposed on him by the House. But his Asian interlude won Mr. Gingrich precious time and sympathy.

President Clinton presumably counted on his Helsinki summit meeting with Boris Yeltsin — which went well from a diplomatic point of view — to work similar wonders for him. But the drip-drip-drip disclosures of the oow merging 1996 campaign finance scandal and the Webb Hubbell affair resumed almost immediately on Mr. Clinton's return, with new vigor.

Mr. Clinton's connections to the Indonesia-based Ridy family quickly replaced summit success on page one. Investigators are trying to determine if the Ridy-controlled Lippo Group served as a source both of questionable campaign contributions and of a suspect \$100,000 payment to Mr. Hubbell after he resigned from government in disgrace in 1994.

Poor Al Gore. He went to China last month shortly after it became known that the FBI had been looking into possible illegal contributions by the Chinese government to U.S. political campaigns. The dis-

closures turned a difficult mission into a political debacle, whose true dimensions have only become clear with Mr. Gingrich's fluid handling of his China trip the following week.

An unfair comparison? After all, as vice president, Mr. Gore is shackled with carrying out President Clinton's policy, whatever his own views may be. He has to tread more carefully in addressing foreign governments because of the responsibilities of power. He still freezes in public in these situations. And so on.

The alibis and justifications about Mr. Gore's performance miss the fundamental point: Mr. Gingrich went to China as a politician, in the best sense of that word. Mr. Gore went there as a foreign policy expert and manager intent on showing his sophistication and skills. That is why Mr. Gingrich came out way ahead, getting the press and the public to focus briefly on his strengths rather than his weaknesses.

The Washington Post report-

ed that to prepare for the trip the vice president "arranged tutorials on Chinese history, which he recited along the way," and called former presidents, secretaries of state and a sitting Supreme Court justice.

Mr. Gingrich worked hard at not seeing the problem of China from the experts' perspective. He expressed to his Chinese interlocutors the simple, clear idea that Americans "are defined by freedom." He warned: "We will defend Taiwan. Period."

Call that approach simplistic if you like, but I think Mr. Gingrich got much closer to what Americans expect from politicians than did Mr. Gore in China, or than Mr. Clinton does when he goes on and on to show how many of the details of NATO expansion or global trade indices he can absorb.

Americans expect their politicians not to become instant experts on Chinese or Albanian history. Americans expect their politicians to get the big things right — principles, the drift of history, the contemporary mood and the en-

during values of the American nation.

In their earnestness and eagerness to impress with their unquestioned intellectual abilities, Mr. Clinton and Mr. Gore frequently imprison themselves in a pseudo-expertise that does not project clear values.

What better place to start to change that than Indonesia? Mr. Clinton should eagerly join the efforts of Portugal's able prime minister, Antonio Guterres, to pressure Jakarta into improving the human rights and living conditions of the people of East Timor.

Mr. Clinton heard an appeal from Mr. Guterres for such support in a White House meeting on Thursday.

Mr. Clinton showed in 1996 that he is a virtuoso of political trapezoid. But the tricks of the trade can only carry him so far.

He still has to demonstrate an authentic commitment to clear, unaffected values and ideas that American people honor. Mr. Clinton can begin now, and he should begin in Indonesia.

The Washington Post.

# It's Not So Simple to Make Rules About Humanitarian Aid

By Lionel A. Rosenblatt

WASHINGTON — In a re-

cent two-part article, J. Brian Atwood and Leonard Rogers of the U.S. Agency for International Development outline a policy that would effectively have the United States turn its back on the chaos of the post-Cold War era, sacrificing innocent lives and wasting resources by postponing action on complex political/humanitarian problems.

The "precepts" for humanitarian aid put forward by Mr. Atwood and Mr. Rogers (*Opinion*, March 12 and 13) look fine in theory, but they do not meet the practical test of today's world. In fact, there are few, if any, international emergencies that would merit their criteria.

Take precept 1, which says aid should be delivered only when the lives of aid workers are not threatened. On the surface this seems logical and laud-

able, but from Bosnia to Zaire and Chechnya to Rwanda, such a stricture would rule out humanitarian assistance to millions of civilian victims, because the most acute humanitarian needs are often in zones of conflict. Similarly, precepts 2-4, calling for enhanced assessment, monitoring and controls against coercion, are also often impossible in zones of conflict.

Implementation of the authors' objectives would require a ground force to protect humanitarian workers, monitor the aid and ensure it is not diverted or used to enhance the power of "bad" elements.

Refugees International has long called for an international rapid reaction force to be at the ready for such missions and, moreover, to prevent emergencies from exploding. Such a

force need not employ American soldiers, but it would never get off the ground without American leadership. Prompt use of such a force would make it less likely that the U.S. military would wind up becoming unilaterally engaged. Unfortunately, the idea of such a force has received little consideration from the United States or other nations.

Precept 5 urges durable solutions to humanitarian problems. It is true that humanitarian aid alone cannot adequately resolve a crisis. All it can do is keep people alive until more fundamental steps can be taken. For example, when those responsible for the Rwandan genocide were not removed from the general refugee population — which they intimidated and controlled — further instability was predictable.

But there was a choice, put directly to the United States and other nations. Then-UN Secretary-General Boutros Boutros Ghali asked for an international force to weed out the intimidators, but the idea got no support from the United States and other Security Council members.

Rather than confronting the problem as the UN recommended, Mr. Atwood and Mr. Rogers appear to argue in retrospect that it would have been better to simply starve out those in the refugee camps — more than half women and children. It is instructive to think one step further back to the 1994 genocide in Rwanda, in which at least 300,000 mostly Tutsi Rwandans were killed and 2 million mostly Hutu refugees were generated. Many believe that had the international community sent a small rapid response force as the genocide erupted, the killing would have been stopped and the ensuing regional instability prevented.

The unsurprising lesson of Bosnia and Rwanda-Zaire is that humanitarian action without political/military action does not resolve root causes. It has therefore become fashionable to argue that humanitarian interventions should be curbed; the Atwood-Rogers approach is one such formulation.

I agree with the authors that a

failure to address root causes is a major failing in current humanitarian policy, but the answer should not be to simply let innocent people starve. Instead, what is needed is the American political will to lead the international community in fashioning diplomatic and security strategies to deal with urgent problems or, better yet, preventing them instead of sweeping them under the rug.

Ultimately, when the suffering becomes too distressing to ignore on CNN, the United States often does get involved, but only after lives and resources have been tragically and needlessly wasted.

At a time when the new secretary of state is encouraging a more vigorous U.S. involvement in international affairs, the Atwood-Rogers precepts offer a puzzling prescription for inaction by the world's remaining superpower. Not only is this wrong morally, but it also allows the proliferation of threats to international stability, thereby ultimately damaging essential U.S. interests and increasing the likelihood that American troops will have to go into combat.

The writer is president of Refugees International, an independent humanitarian advocacy organization. He contributed this comment to the International Herald Tribune.

# Warning: Jobs Threaten America

By Bob Herbert

NEW YORK — God help

us Americans, there's a chance the unemployment rate will ultimately fall below 5 percent. Can you imagine worse news?

You can almost hear the knees of financial analysts knocking as you read that the Federal Reserve will probably have to raise interest rates again next month if this rampaging monster of an economy doesn't hurry up and slow down.

It's as if the nation were faced with the threat of a cure for cancer. Be on the alert: Prosperity for the jobless is just around the corner. We have no choice but to confront it, turn it around and chase it out of the neighborhood altogether. In short, we have to get the unemployment rate up.

Inflation is the bogeyman. No one has seen it in several years, but the mere thought that at any moment it might spring back to life — the financial markets' very own Freddy Krueger — is enough to keep the well-heeled on constant edge.

Whatever motives are driving Alan Greenspan, the chairman of the Federal Reserve Board, the result is a brutal Catch-22 for the nation's working classes. The route to a brighter future for most men and women — raises for those

already working, and increased employment opportunities for those who want to work — is economic growth. There is a consensus on the left and the right that growth is the answer to the persistent and potentially dangerous problem of economic inequality. The top 20 percent of Americans get nearly half of all the income. Fifty percent of American families have less than a thousand dollars in financial assets.

For a majority of Americans to do better, an expanding economy is essential. And yet, whenever there is evidence of anything beyond an anemic rate of growth, the policy is to step in and ruthlessly head it off. The effect is to slam the workplace door on millions of men and women in the bottom half, and especially the bottom fifth of the socioeconomic scale.

For those who think the so-called experts are doing anything other than flailing about in a theoretical thicket, consider their record. These nattering nabobs of NAIRU (the acronym for the Nonaccelerating Inflation Rate of Unemployment) have for the longest time been trying to pinpoint the lowest level of unemploy-

ment the economy can sustain without triggering an acceleration of inflation.

In other words, without raising Freddy from the dead.

For a while it was thought that the official unemployment rate had to remain above 6 percent to keep inflation still. But the jobless rate came down, broke the 6 percent barrier and nothing happened. The theory had to be adjusted. Perhaps 5.8 percent was the magic figure. Wrong. Unemployment fell through that barrier without a peep from inflation. Well, maybe 5.5, or 5.3 or 5.2.

There is still no evidence of accelerating inflation. But there is plenty of evidence that an awful lot of Americans are in need of jobs and can't get them.

And already there is evidence that the working poor are being forced into a cruel head-to-head competition with welfare recipients for precious low-wage jobs. Eventually more than 4 million welfare recipients will be sent into the job market.

The policymakers are masters of obscurity on the crucial issue of employment. For those at the bottom who are desperate for work, an honest look at current economic policies is a glimpse into the abyss.

The New York Times.

## IN OUR PAGES: 100, 75 AND 50 YEARS AGO

### 1897: Pope's Clout

ROME — One thing every one must notice is the power which the Papacy exercises in the entire world in spite of the loss of temporal power, which Napoleon III permitted Italy to take from the Pope on the express condition "to do it quickly." One cannot refrain from recalling that on that occasion the witty Pius IX remarked: "Poor Napoleon, when his name, which he believes immortal, has been forgotten by history, there will still be, here or somewhere in the world, an old man clothed in white who will be the Vicar of Christ."

### 1922: Foreign Music

PARIS — Consequent upon the decision of the Paris restaurateurs and cafe proprietors to dismiss their orchestras as a protest against increased taxation, a number of problems are being

brought to light. Chief among them is the fact that with the vogue for up-to-date cacophonies of Afro-American origin, more than half the musicians now employed in "dancing" are foreigners. M. Michel Missoffe, a City Councillor, has brought forward a proposal that no more than 10 percent of foreign performers be permitted in any establishments owning a concession from the City of Paris.

### 1947: Press Card Taken

ISTANBUL — Nedim Veyisel Ilkin, director of the Turkish Press Bureau, said last night (April 4) that he had withdrawn the press card of Aslan Humbaraci, local correspondent for The New York Times. The reason, he said, was a recent story written by Mr. Humbaraci concerning regulations for foreign correspondents which he said was "full of inaccuracies."

# Herald Tribune

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## France Bars U.K. Bid for Thomson

GEC Offer Is Rejected On Security Grounds

By Joseph Fitchett  
International Herald Tribune

PARIS — Invoking national security, France barred a British takeover bid Friday for the country's leading defense-electronics manufacturer, state-owned Thomson-CSF.

Thomson will now be sold by the government to one of two competing French companies, and the resulting firm will be Europe's largest manufacturer in this crucial armaments sector.

The British suitor, General Electric Co., immediately complained about the French action, charging that government restrictions were blocking European-wide integration of defense industries.

Despite the rebuff, GEC said Friday that it was already involved in talks with the two French bidders selected to vie for control of Thomson — Alcatel-Alsthom SA and Lagardere SCA — about future arrangements with the new company, which will be the European leader in the sector.

France's decision seemed bound to trigger accusations of protectionism, especially as French officials had indicated that foreign bids would be welcome.

If the bid had been allowed to proceed, GEC would also have obtained access to Thomson's accounts, a windfall of information that could prove useful in future competition.

But the British candidacy was disallowed by the French Finance Ministry, which said that it would be contrary to "essential interests of national security" to allow the government's 58 percent share of Thomson to fall into foreign hands.

The sale of Thomson has repeatedly caused problems for Prime Minister Alain Juppe. An earlier agreement to sell Thomson had to be canceled last year because part of the sale involved the acquisition of Thomson-Multimedia, an unprofitable television manufacturer, by South Korea's Daewoo Electronics Co. Amid intense public opposition, Paris retreated — and stung Seoul into angry charges of protectionism. With no other

See THOMSON, Page 10



Treasury Secretary Robert Rubin chatting Friday in Tokyo with Prime Minister Ryutaro Hashimoto.

## Rubin Calms Japan Trade Tensions

By Velisarios Kattoulas  
International Herald Tribune

TOKYO — The likelihood of a trade spat between Tokyo and Washington this year appeared to diminish Friday when Treasury Secretary Robert Rubin indicated that the Clinton administration could live with a small rise in Japan's trade surplus with the United States.

Although Mr. Rubin warned Prime Minister Ryutaro Hashimoto not to rely on exports to stabilize Japan's faltering economic recovery, he gave no indication that the Japanese trade surplus had reached levels unacceptable to the United States.

Mr. Rubin also rejected suggestions that boosting the value of the yen was the best way to cut Japan's trade surplus.

"It is critical that Japan's current account surplus not rise again to a level that is detrimental to global growth," he said after meeting Mr. Hashimoto. Otherwise, it could cause trade friction and fuel protectionist sentiments among Japan's trading partners, Mr. Rubin said.

Analysts and currency traders took his comments to mean that for now at least Japan's trade surplus was not a

major irritant for the United States, which is enjoying steady growth and shrinking unemployment.

Official statistics released last week showed that Japan's trade surplus in February rose for the first time since November 1994; it rose 6.5 percent to 686.72 billion yen (\$5.6 billion). With the United States it grew for the fifth month in a row, rising 12.3 percent to 407.35 billion yen.

While most analysts expect Japan's surplus to continue to edge higher for the rest of the year, few expect it to climb as high as it did two years ago, when Tokyo and Washington clashed over Japanese exports of cars and car parts.

"Rubin seemed to say that he could cope with a small rise in Japan's trade surplus," said Mamoru Yamazaki, a senior economist at Paribas Capital Markets in Tokyo. "And since the U.S. economy is strong and a large rise in Japan's trade surplus is unlikely, it appears there isn't going to be much trade friction between Washington and Tokyo this year."

Mr. Yamazaki, a former economist at the Ministry of International Trade and Industry, expects Japan's trade surplus to reach 8.2 trillion yen in 1997, up from 7.4 trillion yen in 1996

but well below the 10.4 trillion yen it reached in 1995. His forecast is in line with those of many other private economists.

Mr. Rubin, in Tokyo for one day prior to meetings with Asia-Pacific finance ministers in the Philippines, rejected suggestions that boosting the value of the yen was the best way to cut Japan's trade surplus. A strengthening yen undermines the competitiveness of Japanese exports. He told American business executives here that to cut its surplus Japan needed to promote strong domestic demand and dismantle barriers to imports and business activity.

"We don't believe in anybody using their currency for trade policies, us or anybody else," Mr. Rubin said. Those comments sent the dollar as high as 123.23 yen, up from 122.63 yen in New York on Thursday after traders decided he would not actively push for a stronger yen.

Mr. Rubin has consistently maintained that a strong dollar is in America's interests because it keeps down U.S. inflation and interest rates, although he has toned down his enthusiasm in recent weeks in an apparent effort to prevent the dollar from rising further.

## U.S. Joblessness Drops, Stirring Inflation Fears

Labor Costs and Overtime Are Rising

Compiled by Our Staff From Various Sources

WASHINGTON — The unemployment rate fell for the second consecutive month, to 5.2 percent in March from 5.3 percent in February, the Labor Department said Friday, touching off nervous gyrations in financial markets worried about inflation.

The decline in unemployment resulted in the lowest seasonally adjusted rate in five months, the department said, as moderate job growth was increased by gains in the computer industry and at retail and financial businesses.

But last month's gain of 175,000 new jobs — down from a revised increase of 293,000 in February — was accompanied by an acceleration in labor costs and record factory overtime pay, suggesting the inflation rate could be on the rise.

While March's employment gain fell short of analysts' forecasts of an increase of 202,000, workers' average hourly earnings rose 0.4 percent last month — or 5 cents — after a revised 0.4 percent gain in February. That put wage growth up 4 percent for the past 12 months, above the inflation rate.

Factory overtime also rose to a record 4.9 hours per worker per week from 4.7 hours in February.

Wall Street took the report as another sign that Federal Reserve Board policymakers will have to raise interest rates again. The yield on the benchmark 30-year Treasury bond climbed to 7.13 percent in late trading Friday from 7.07 percent on Thursday.

The Dow Jones industrial average fell more than 70 points in early trading but then made a strong recovery in late trading, gaining nearly 40 points. The Dow had posted a loss of 400 points in the previous five sessions.

"It's not a frightening report, but it's not a relaxing one," said Robert Dederick, an economist with Northern Trust Co. in Chicago. "It keeps us on guard very much. The odds are pointing to the Fed tightening in May."

David Jones, chief economist at Aubrey G. Lantson & Co. in New York, said, "The numbers that the Fed pays attention to were all on the strong side."

The White House welcomed the news as a sign of "a healthy economy."

President Bill Clinton said, "I now think we have persuaded most economists that we can actually have 5 per-

cent or lower unemployment in this country without having inflation if we do it with discipline."

The Federal Reserve Board — concerned that tight labor markets and rising wages will translate into accelerating inflation — nudged short-term interest rates up by a quarter of a percentage point March 25 to dampen growth and squelch inflation.

March's job growth was led by service industries. Temporary-help firms added 25,000 employees; computer

See ECONOMY, Page 10

## Unions Win Renault Suit

Compiled by Our Staff From Various Sources

PARIS — Renault SA must restart talks with unions about closing a plant in Belgium and cutting 3,100 jobs, a French court ruled Friday.

The decision came a day after a court in Brussels ruled that Renault had breached Belgium's worker-consultation rules when it announced in February that it planned to close the plant in Vilvoorde on July 31. But legal analysts said neither ruling would stop Renault from closing the plant eventually and undertaking other cost-cutting measures in its drive to erase a 1996 loss of 5.2 billion French francs (\$924 million), its first in a decade.

The carmaker said it would appeal the French ruling. The court's decision, which included ordering Renault to pay 15,000 francs to the employees' factory committee, compels the French carmaker to comply even if it appeals.

It must not close the plant until it has fulfilled its obligation to consult with the unions, the French court said.

Renault said it thought it had fully complied with Belgian law in announcing the closure but would

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## ECONOMIC SCENE

### Selling the Doorjamb and Seeing the Forest

By Erik Ipsen  
International Herald Tribune

LONDON — Five years ago, when environmentalists began asking a leading British grocery and do-it-yourself chain whether its wood-based products had come from properly managed forests, they got no answer, and for good reason: No one at Sainsbury PLC had any idea.

"The first thing we had to do was to figure out how many of these things we sold," said William Martin, Sainsbury's senior technical manager.

After weeks of work, Sainsbury came up with the answer — from doorjamb to diapers, the company sold 13,000 forest-based products. "When I found out it was that many, I went weak in the knees," said William Martin, Sainsbury's senior technical manager.

Today, Mr. Martin can attest not only to the quantity but to the environmental quality of many of those products as well — right down to what part of a far-off Finnish forest the pine for a given door came from.

With that knowledge has come power — the power to ferret out which companies are using woods products as well — right down to what part of a far-off Finnish forest the pine for a given door came from.

That radical change in Sainsbury's awareness and activism mirrors a movement across a broad swath of British

retailers. Seven years ago, environmental groups threw in their lots with their erstwhile enemies — retailers and furniture makers who rank as the biggest buyers of tropical hardwoods and other forest products — forming the first national buyers group and a model of business-environmental group cooperation that has now been copied in the Netherlands, Austria and Belgium.

On Monday, the concept will score its biggest conquest to date, with the launching of a U.S. buyers group. A German buyers group is expected to follow in the next month. Others in countries from Canada to Japan are under discussion.

After years of sporadic consumer boycotts and public protests that have had little lasting impact, the buyers groups have, in effect, corporatized the struggle, and there are efforts to extend the model to other issues such as fisheries protection.

"The secret of its success is that everybody wins," said Alan Knight, environmental controller for B&Q, Britain's largest do-it-yourself chain and the British buyers group's first corporate member.

For retailers, and for the forestry companies who go along with the alliance, it offers the increasingly im-

portant blessing of environmentalists that they are doing all they can. More and more, that blessing takes the form of products emblazoned with the tree-and-checkmark seal of approval of the independent Forest Stewardship Council.

"The seal is a trustworthy way of saying to the market that we are practicing responsible forestry," said Ragnar Friberg, chief forester for Sweden's

Stora Forest AB. "Hopefully, that will make people want to use wood over competing products like plastic."

Nonetheless, what some are branding an acceptable grayling of the green movement has generated harsh criticism on both sides.

"We were accused of sleeping with the enemy," said Justin Stead, the manager of the British buyers group originally put together by the Worldwide Fund for Nature. Today, that buyers group has 77 companies, including Britain's largest grocery, do-it-yourself and drugstore chains — companies that account for more than 15 percent of all the forest products consumed in Britain.

Together they demand of their suppliers not just promises of higher standards of forest management, but periodic independent verification that they are living up to those pledges.



In one of the clearest signs that pressure is bearing fruit, one of Europe's biggest timber exporters, Sweden, will publish on April 14 strict draft rules for forest management — a first step toward baring Swedish forests certified as acceptably managed under the rules of the independent Forest Stewardship Council.

As consumer awareness of the FSC label grows and as demand for goods bearing it expands, problems have begun to emerge. In the whole world there now are only 3 million hectares (7.2 million acres) of certified forests — less than some individual forestry companies control themselves. By 1999, however, 10 million hectares of forest land should be certified.

It is up to the two-year-old Forest Stewardship Council to keep that total expanding by helping to set national standards on just who can cut down what kind of trees, where, and how. It is a process fraught with controversy.

"Forestry has always featured lots of warring camps," said Timothy Synnott, director of Oaxaca, Mexico-based FSC. He notes, for instance, the move in Europe and America to bar the use of wood from so-called old-growth or virgin forests. In Europe those forests typically account for less than 5 percent of the total. In many parts of the world though, where forestry is relatively new, "practically all of the forests are old growth," he said.

## Wider Wallenberg Sphere?

Shake-Up at Investor Signals Move to Expand

By Erik Ipsen  
International Herald Tribune

LONDON — With the appointment of Percy Barnevik to head investor, the sprawling industrial holding company, the Wallenberg family of Sweden has once again signaled its desire to push its tentacles into international markets.

On Thursday, the family patriarch, Peter Wallenberg, who is retiring, said that he had chosen his successor as chairman largely because of Mr. Barnevik's international credentials.

Analysts, on the other hand, expressed skepticism Friday as to how much of a change now lies ahead for the 80-year-old group, which controls the overwhelming bulk of Sweden's blue chips, including companies like the mobile-phone maker Ericsson AB, the household-appliance maker Electrolux AB and the drug-maker Astra AB.

With an overwhelmingly Swedish portfolio of stocks, Investor AB has seen its net asset value soar from 9 billion kronor (\$1.2 billion) to 79 billion over the past decade alone.

"The question is, can they do as well in an international environment," said a Stockholm analyst.

Within Sweden, Investor picks the chairman and chief executives of its companies and even helps them chart their strategies. It also encourages those executives to look beyond their own firms to the interests of the group as a whole — to the so-called Wallenberg sphere.

Typically, they will sit on each other's boards and even exchange jobs on occasion.

As the chairman of ABB Asea Brown Boveri Ltd. and of the Wallenberg-controlled construction company Skanska AB, and now as the future head of Investor, Mr. Barnevik himself is the classic product of one of the industrial world's most unique dynasties.

"Percy Barnevik has always been strongly related to the Wallenbergs," said Hakan Blomdahl, an analyst at SBC-Warburg in Stockholm. "He trusts them and they trust him."

At ABB, Mr. Barnevik demonstrated a strong streak of independence. He turned around the troubled Swedish engineering firm of Asea, and then merged it with the struggling Swiss firm of Brown Boveri in the late eighties. Finally, he molded the lot into an international powerhouse. His shareholders had ample reason to be grateful, much less to let him get on with it.

At Investor, Mr. Barnevik's leash is expected to be far shorter.

"As its chairman, he will not be able to do whatever he likes," said Johan Stronberg, an analyst at Deutsche Morgan Grenfell in Stockholm. After all, Investor is no mere outpost of the Wallenberg empire — it is its control room.

The Wallenberg family controls 41 percent of Investor.

Having served on Investor's board for seven years already, Mr. Barnevik has had plenty of time to familiarize himself with how the Wallenbergs like it run.

Typically, that management style has included a man named Wallenberg as either chairman or chief executive, or both. Already there is considerable speculation that the absence of Wallenbergs will prove brief.

Claes Dahlback, Investor's present chief executive, is expected to leave next year to cement the Wallenbergs' control of Skandinaviska Enskilda Banken AB, Sweden's third-largest bank. Mr. Dahlback will become chairman of the bank, and the nominal boss of its young chief executive, Jacob Wallenberg.

That would then allow 41-year-old Marcus Wallenberg, Jacob's cousin and Peter Wallenberg's

son, to take over back at Investor.

Analysts also say the move might well allow Mr. Barnevik more latitude to exert his will over a relatively inexperienced new chief executive even while he retains his post as chairman of ABB.

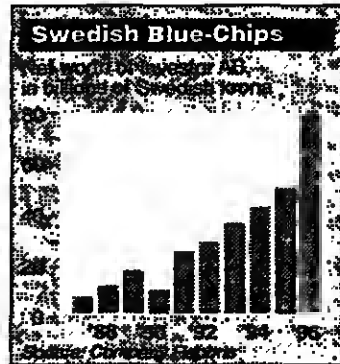
"Marcus does not have much of a reputation," said an analyst, who follows Investor. "He turned up a couple of years ago when the family put him on the boards of Ericsson, Saab and some others."

For Mr. Barnevik, the most famous Swedish industrialist since Ivar Krueger, the erstwhile "match king," the problem is that, like it or not, there is little choice but to take Investor beyond Sweden.

"The problem is that they are now too big for Sweden," an analyst said. "They already control so many of our big companies that expansion here is almost impossible."

With 10 billion kronor of cash in the till and a team of 40 analysts in Stockholm, London, New York and Hong Kong scouring the landscape for companies to spend it on, making the investments will be easy.

Fitting them into the cross-fertilizing Wallenberg sphere will be another matter entirely.



## CURRENCY & INTEREST RATES

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## EUROPE

# Lockheed And BAe Team Up

## Firms Bid to Build Armored Vehicles

**LONDON** — British Aerospace PLC said Friday it had teamed up with Lockheed Martin Corp. of the United States to bid for a \$5 billion contract to build the next-generation armored reconnaissance vehicle early in the next century, an illustration of the growing trans-Atlantic cooperation in the international defense industry.

The partnership also could help Lockheed's attempt to win British Aerospace to its side in the competition with Boeing Co. for an estimated \$90 billion of contracts to build the next-generation fighter aircraft. British Aerospace and Lockheed Martin, along with Vickers PLC, General Dynamics Corp. and other partners, plan to compete with a group of companies led by GKN PLC, General Electric Co. of Britain and some U.S. companies in making vehicles for the U.S. and British armies.

The winning bidder for the contract involving the armored reconnaissance vehicle, to be called the Tracer, could be selected by British and U.S. defense officials in 2001.

# EU Ministers Hope to Bolster Euro

**AMSTERDAM** — European Union finance ministers headed Friday for a two-day meeting in the Netherlands at which they hoped to regain the momentum from doubters of their single-currency plan.

After an outbreak of speculation about a delay in the planned 1999 starting date for economic and monetary union, the 15 ministers

## NEWS ANALYSIS

were heartened by the announcement Thursday that Chancellor Helmut Kohl of Germany, the key figure in the push for a single currency, will run for a fifth term in office next year.

Mr. Kohl's decision gave a shot in the arm to backers of monetary union, who appear to have been overshadowed in recent weeks by those who doubt the project can start on schedule.

German participation in the first wave of

monetary union is seen as critical to its success. But with Germany's unemployment rate at a 64-year high and Bonn rickety worker unrest in a determined bid to cut spending to meet monetary union criteria, many have begun to express doubts about the project's timetable.

Analysts, however, said markets were taking a more upbeat view of the currency project's chances ahead of the meeting in the coastal town of Noordwijk.

"There are a couple of things going on in the background which are helping to shore up confidence," Andrew Bevan, a senior bond economist at Goldman, Sachs & Co. in London, said. One factor, he said, was the renewed sense of commitment shown by Mr. Kohl's announcement; the other was a recent set of unexpectedly strong economic data in Germany.

The country needs an economic pickup to bring down its deficit as a percentage of gross domestic product — one of the key criteria for

EU nations seeking to qualify for monetary union. The EU finance ministers will try Saturday to set a date next year for choosing the first countries to join the single currency, with late April appearing to be the most likely choice.

That timing would allow France to get its parliamentary election finished first and would provide time to consider reports from the European Commission and the European Monetary Institute, due in February, on the degree of economic convergence within the 15-nation bloc, based on economic data for 1997.

The commissioner for European monetary affairs, Yves Thibault de Silguy, reiterated in an interview Friday with a French newspaper that the Maastricht treaty on European union did not allow for any delay in launching the single currency. Ministers in Noordwijk also will review progress on some technical aspects of monetary union, mainly how to give legal standing to the EU's stability and growth pact.

# U.S. Concern Takes Aim at Deutsche Telekom

**Agence France-Presse**  
**BONN** — USA Global Link Inc. issued a challenge to Deutsche Telekom AG on Friday by saying in a newspaper that it intended to cut telephone prices in Germany by as much as 80 percent by routing calls through the Internet.

The U.S. company, based in Fairfield, Iowa, will invest \$100 million along with an unidentified German partner to install 66 telephone exchanges in the next few months.

Christopher Hartert, the head of the company, said in a letter to the Handelsblatt newspaper: "These gatekeepers would enable calls from subscribers to be carried via the Internet instead of through the network operated by Deutsche Telekom, he said."

Mr. Hartert noted that there was no charge for the use of the Internet, and he promised rates that would be "between 20 and 80 percent cheaper than the tariffs now charged by

Deutsche Telekom, depending on the distance." He predicted that his company would "win away" a large number of Deutsche Telekom's business in telephone services "in the next two years."

Deutsche Telekom told Handelsblatt that the Internet was not suitable for carrying heavy telephone traffic. A spokesman for the telecommunications concern, Stephan Althoff, said the Internet was already saturated with traffic and could not offer

a high quality of communication.

The newspaper noted that several German industrial concerns, such as Mannesmann AG, VAG AG, VEB AG and RWE AG, planned to make large investments in conventional telephone technology to compete with Deutsche Telekom once the German market was opened fully to competition in 1998.

USA Global Link's plan could rob them of this opportunity, the newspaper said.

# RENAULT: A French Court Rules Against the Automaker

Continued from Page 9

now take up the consultation procedures deemed necessary by the Belgian court.

It said "these procedural elements" did not alter the fact that it needed to close the plant for economic reasons.

Renault's chairman, Louis Schweitzer, reiterated Friday his resolve to press ahead with his plan. "The ruling doesn't change the economic reality" of the shutdown, he said. "Given the Belgian rules, I don't think that the decision will have an impact on the date of the plant's closure."

Workers went on strike in Renault plants throughout Europe on Friday to support unions' attempts to re-

verse Renault's decision. Ignoring the Belgian court ruling would have exposed Renault to a fine, Olivier Delvaux, a Belgian labor lawyer, said. The Belgian government said last month that the penalty would probably be no greater than 20 million Belgian francs (\$75,000).

Tiennot Grumbach, a lawyer for the unions, said the talks would center on issues of organizing and sharing work at the plant in hope of saving jobs. Similar measures were rejected by Renault after it ordered the plant closed.

Sales of Renault's vehicles in Belgium plummeted 43 percent in March after the decision by the company to close the plant.

Karel Schynbroek, spokesman for Renault Belgique Luxembourg

SA, attributed the sales decline to delivery problems caused by Renault workers' occupation of the Vilvoorde plant's parking area since Feb. 23. (AFP, Bloomberg, Reuters)

## Citroen to Cut 800 Jobs

Another French automaker, the Citroen division of PSA Peugeot-Citroen SA, will cut 800 of its 28,400 jobs this year, The Associated Press reported.

Citroen said most of the cuts would be made in its technical support staff and that almost all the dismissed employees would receive early-retirement benefits or part-time work.

The company added that it would review its layoff plan with employee representatives April 15.

# Worker Unrest Spreads in France

**PARIS** — Labor unrest rippled across France on Friday as bank employees joined airline personnel, junior hospital doctors and car workers in protests against state and private sector reforms.

The doctors stormed out of talks with Social Affairs Minister Jacques Barrot, saying the government was refusing to offer firm proposals to meet their demands for scrapping fines on doctors as part of health spending curbs.

In the fourth week of their strike, they asked Prime Minister Alain Juppe to intervene in the conflict, now affecting 24 of France's 26 teaching hospitals.

Mr. Juppe called on the doctors to reopen the talks, saying the government's proposals were worthy of consideration.

Faced with a series of protests, the conservative government has vowed to push on with reforms it says are needed to keep France competitive and help it qualify for European monetary union in 1999. Workers in the troubled banking sector struck on Friday against government plans to change a 1937 law regulating work schedules.

The change would allow banks to stay open on Saturdays and permit shift work. Unions say they are not opposed in principle but object to the government's lack of negotiation on the issue.

## WORLD STOCK MARKETS

Friday, April 4

Prices in local currencies

Percent

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NYSE

Friday's 3 P.M.  
The Associated Press

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# EGYPT

LIBERALIZATION. DEREGULATION. PRIVATIZATION.

The Egyptian economic policies rely on increased investments and greater openness to the global economy. We are building the institutions, drafting the laws, training the people, and most of all, leading a government that will abide by it, and build on it.

— PRESIDENT MOHAMAD HOSNI MUBARAK  
Keynote address at the World Economic Forum  
Davos — February 2, 1997

WONDER OF THE PAST.  
YOUR INVESTMENT FOR  
THE FUTURE

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Carnegie 42-ND Street, Nasser, Cairo. Tel: 20-2-574-7834 Fax: 20-2-574-7248.

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The 1,000 most-traded National Market securities  
in terms of dollar value, updated twice a year.  
*The Associated Press*

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# MONEY

SATURDAY-SUNDAY  
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PAGE 15

MONDAY  
SPORTS

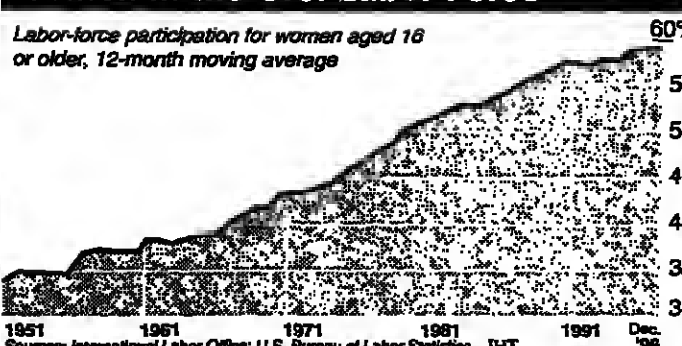
## What's in a Number? Demographics Tell a Multifold Investing Tale



Women at Work As a percentage of total employment

Australia	43.1%	Indonesia	38.8%	Portugal	44.2%
Austria	42.6	Ireland	37.7	Spain	35.3
Belgium	39.9	Italy	35.4	S. Korea	40.3
Canada	45.2	Japan	40.4	Sweden	48.3
Denmark	44.5	Malaysia	33.9	Switzerland	42.9
Finland	33.8	Netherlands	40.8	Thailand	45.9
France	43.8	New Zealand	44.1	Turkey	30.3
Germany	41.9	Norway	45.8	U.K.	44.7
Greece	35.9	Philippines	37.0	U.S.	46.1

Women in the U.S. Labor Force



Economists and demographers agree that the number of working women has stalled in the 1990s, but they differ widely over why participation in the workforce is falling and what it means for the economy and investors.

By Ann Brocklehurst

**E**CONOMISTS WHO dabble in demography do not usually quarrel over the basic statistics, but when it comes to assessing the importance of various numbers, determining what is behind them and extrapolating the repercussions for investors, they differ widely.

Consider, for example, their theories on why labor-force participation by young women has recently stalled or, in some cases, fallen, reversing a trend that began at the end of World War II.

Richard Hokenson, chief economist

at the New York brokerage house Donaldson, Lufkin & Jenrette Securities Corp., said many women wanted "to reduce the stress generated by a working world that offers little support to families" and had therefore taken advantage of low interest rates and mortgage refinancing to quit their jobs and stay home with their children.

As a result, they have more time to shop for bargains, Mr. Hokenson said, which might lead to problems for brand-name products. He said that time-pressed working mothers tended to buy familiar brand-name breakfast cereals, for example, because they could not risk purchasing something less expensive.

yet unfamiliar, that their children might then refuse to eat it. But for one-income families on tight budgets, saving money is the priority, they have the time to return to the supermarket if the cheaper cereal proves to be a gustatory failure.

Sherry Cooper, chief economist at Nesbitt Burns Inc. in Toronto, suggested another reason why women could afford to stay out of the workplace.

In a report, "Sex and the Economy: The Next Revolution," she noted that in North America there were more young men than women in the marriage pool.

This shift began in 1985, when the bulk of the baby-boom generation had passed through their marriageable 20s.

The ratio of young men to young women rose sharply due to the fact that first-time bridegrooms tend to marry women their age or several years younger.

Changes in the ratios of marriageable men to women have an important effect on the economy because in societies where women are scarce, men are "in competition" for "the best wife possible" and "are willing to make a social and financial commitment to remain with her," wrote Ms. Cooper.

She added that this should translate into lower divorce rates, higher birth rates and greater growth in family households than in non-family households, all trends that are visible today.

But Donald Straszheim, chief economist at Merrill Lynch & Co. in New York, has a different theory. He said that fluctuations in the ratio of marriage-age women to men are "trivial" when compared to the overall aging of baby boomers, who were born roughly between 1946 and 1966.

As for an exodus of women from the job market due to low mortgage rates, he

said: "I don't buy that at all. I think people who have been in the labor force for a number of years find the money earned useful. I suspect they also find other fulfillment in their professional life."

He noted that the participation of men and women in the U.S. labor force was now roughly equal, after adjusting for time off taken by women to raise children.

Contrary to Ms. Cooper, Mr. Straszheim sees restaurants, particularly fast-food outlets, continuing strong, frequented by time-pressed two-income families and the many teenage children of the baby boomers.

David Foot, a University of Toronto economist, predicted that many baby boomers would start to go out more "once the kids are old enough to stay home without a baby sitter."

They will start patronizing restaurants and movie theaters again, rather than calling out for pizza and renting video cassettes, he writes in his book, "Boom Bust and Echo: How to Profit

from the Coming Demographic Shift."

Moreover, Mr. Foot said, such retailers as Wal-Mart, Price Club and Home Depot, which "seemed invincible in the early part of the 90s, as baby boomers prove willing to pay for convenience and service."

"An older, affluent consumer wants to shop at the neighborhood bakery, butcher shop, or clothing boutique where the staff knows her name, her likes, and dislikes," he said.

While Mr. Straszheim agreed that retailers offering attentive service would come back in style, he predicted that the most successful merchants would be those on the Internet, such as neighborhood grocers with web pages, whose customers could order by e-mail either for pick-up or delivery.

He said he expected brand names to benefit because virtual shoppers would be unlikely to opt for generic products with which they were unfamiliar.

### Q & A / David Foot

## Statistics Are (Almost) Everything

**D**AVID FOOT, an economist and demographer, says demographics explain two-thirds of everything.

In his recent book, "Boom Bust & Echo: How to Profit from the Coming Demographic Shift," Mr. Foot predicted that baby boomers entering their prime saving years would cause North American stock markets to boom for 20 years, while Japanese markets would languish as the country's aging population pulls money out of equities. According to Mr. Foot, most real estate is no longer a good investment and interest rates are unlikely to rise significantly for a number of years.

Mr. Foot, who teaches at the University of Toronto, used Canadian data in his studies. But he said that his conclusions also applied to the United States, which experienced a similar baby boom, although it was slightly earlier and smaller.

He looks to Europe and Japan to provide examples of how older societies behave. Because fertility rates dropped in Japan in the late 1940s while Europe recorded only a small postwar rise in birth rates, these societies are now older than those in North America.

Mr. Foot discussed a variety of topics with Ann Brocklehurst.

Stock markets. Most equity indicators are becoming irrelevant. The boomers are going to put an ever-larger portion of their retirement savings into stocks because, given the low returns available on real estate and cash, they have no acceptable alternative. Because they have little time and want their money professionally managed, they will focus their attention on quality mutual funds.

The stock markets of the next decade are the housing markets of the last decade. Americans are going to drive stock markets up around the world. They probably will not touch their equity investments for 20 years, which means 20 years of buying with no selling.

A similar phenomenon happened in Japan during the 1970s and 1980s, when savers who could not afford real estate and shunned the low returns

offered by bank deposits pushed the price of stocks to astronomical levels.

At that time, Japan was a country with more savers than spenders. The reason was demographic: Fertility in Canada declined in the late 1960s, but in Japan, fertility declined in the late 1940s.

Japanese stock prices eventually came down to earth with a thud as retired Japanese started to sell their equity holdings. The Japanese are now going to have to cash in all their investments to pay for their rising health care costs.

Real estate. Property is about places for people to live in and work in. That is why real estate is driven far more by demographics than by economics. Because most of the needs of

Country real estate will probably do relatively well. We know that the over-45 age group contains the largest group of owners of country properties, and we know that, in the 1990s, the baby boomers are streaming into that age group. That is why leisure and recreational property will be a strong segment of the real estate market for the rest of the decade.

Interest rates. Just as the price of real estate went up because a huge number of people wanted it at the same time, so did the price of money. But by the mid-1990s, the baby-boom generation has bought most of the houses, appliances and cars it needs. As a result, the demand for money has flattened just as the real estate market has flattened, and interest rates have declined.

We in North America will be living in this low-interest-rate world for many years to come. But that does not mean that all fixed-income investments should be abandoned. In fact, in a period of falling interest rates, quality long-term bonds are an attractive investment that offers both safety and the possibility of capital gains.

Technology. In an aging society, the growth of the workforce slows down. Meanwhile, because people are older, they have more money to invest and the supply of capital increases. Capital therefore becomes cheaper and there is more incentive to use it to invest in new technology as an alternative to increasingly expensive labor.

This demographic phenomenon was at the root of Japan's phenomenal transformation into an economic superpower. Japan, which had a birth dearth following its defeat in World War II just when North America was starting its baby boom, had no alternative but to be an early postwar adopter of technology.

In the automobile and consumer electronics industries it specialized in, Japan became the most efficient producer in the world over the 1960s and 1970s.

From 1965 to 1985, we trailed such older countries as Japan and Germany



The economist David Foot.

the boomers are filled, real estate is no longer a growth industry. That means it is a much better place to lose money than to make it in the 1990s.

If you are a boomer who thinks your house is going to be your pension plan, think again. If you're a real estate investor, unless you pick your spots brilliantly, you are not likely to make any money.

In the 1990s, there will be quite a bit of market activity but not net new demand. It will be renovations and trading up.

Continued on Page 17

## Trend-Spotting for a Great 30-Year Play

**F**OR INVESTORS hoping to profit from today's demographic and technological trends, one option involves spotting which sectors that are currently underinvested may benefit over the long haul.

Aging populations in many countries and efforts by governments to reduce budget costs already are creating new investment opportunities that are unlikely to be exhausted during the next half century, say some analysts.

Peter Hollins, a research analyst with the British stock brokerage Albert E. Sharp, said the combined effect of information-technology advances and the spread of private pensions would mean growth in pension-company profits for many years to come.

"In that respect, it's a perfect 30-year play," he said. "That will be about the time these businesses will be switching around from taking money in to paying it out."

He predicted that pension providers around the world would enjoy the twofold benefits of increased income and rationalization through technology.

Like the steady shift of state welfare services into the private sector to help ease government-spending burdens, many long-term investment changes will be created by the need to solve environmental problems such as pollution and declining energy resources, Mr. Hollins said.

For example, he said, the technology needed to change rape-seed oil into die-

sel fuel already exists and is used for mass transit operations in some countries. Buying into biotechnology companies researching ways of improving rape-seed yields would give investors access to these changes, he said.

Brian Tora, a spokesman for the British stockbroker Greig Middleton, expects the growing globalization trend of big business to create investment opportunities among out-sourcing specialists.

"In the same way that corporations don't launder the towels in their washrooms," he said, "there are increasingly areas they prefer to subcontract to specialists." He said that businesses providing administration services would fare best from this change.

—DIGBY LARNER

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## THE MONEY REPORT

Some Long-Term Plans  
For Long-Term Care

Preparing Now to Meet Old-Age Needs Later

By Barbara Wall

**M**OST PEOPLE now accept that if they require long-term care in retirement they will probably have to meet some, if not all, of the cost themselves. Yet the realization that they may have to sell the family home to pay for care frightens the elderly and infuriates their heirs.

The average cost of nursing care in the United States varies from as little as \$25,000 a year in rural locations to as much as \$50,000 in urban areas. Residents of a typical British nursing home can expect to pay about £18,000 (\$29,520) a year, while the cost of part-time care in the home averages £3,000.

A spokesman for the American Association of Retired Persons, which is based in Washington, said that at least half of retirees older than 65 would spend time in a nursing home. The average stay varies from three to six years, although many people are residents for much longer. The lobbying group Age Concern found that one in 20 British retirees were being cared for in nursing homes on a semi-permanent basis.

With many people now living well into their 80s, the possibility of needing some form of professional care in old age cannot be ignored. If you want to preserve some of the family assets and have a say in the type and quality of care provided, the standard advice is to start planning early.

It is now possible to buy private insurance to cover nursing home fees. The drawbacks are that the premiums can be expensive and the insurance will only be triggered if certain conditions are met. The international health insurer Private Patients Plan will pay out a set level of benefits to policyholders who cannot perform three out of six daily activities, such as bathing. To qualify for a payment of £1,000 per month, the monthly premium for a 65-year-old man is £85. In the United States, the average cost of a good, long-term-care insurance policy is about \$2,500 a year.

A partnership plan is another type of insurance that will pay for institutional care and help individuals protect their assets. For now, they are only available in the United States and in Germany, although they are expected to be introduced soon in Britain and France.

Under these plans, the government will pay nursing home costs once insurance benefits have been exhausted and policyholders have drained their resources to a predetermined level. Plan provisions vary according to where you live. In New York, for example, a person who buys \$50,000 worth of insurance for about \$1,500 a year can protect \$50,000 worth of assets. Without the coverage, an elderly person would have to spend down to \$2,000 to qualify for Medicaid, the federal and state health-care program.

So far, only 11,000 policies have been sold.

"The main problem is that the premiums are still too high," said Joshua Weiner, a research associate with the Urban Policy Institute in Washington. "Even if you buy a long-term care policy in middle-age, when premiums should be more affordable, there is a strong chance that by the time you need the benefits the policy will be worthless. Few policies on the market have been able to keep pace with inflation."

Ben Finner, a spokesman for Age Concern, advised people to consider all their options before being panicked into buying insurance. He said it might make more sense to pay for care out of savings rather than invest in an insurance policy that may never be required or, worse, may not pay out because of rigorous and confusing policy riders.

"The average home owner who has planned for retirement will probably have an occupational or personal pension scheme and state pension benefits equivalent to about \$900 per month," Mr. Finner said. "If they were to add to this sum interest from savings and the income earned from letting out the family home, it is likely that they would be able to afford the costs of long-term care."

There are many creative funding solutions to the long-term care dilemma.

A group of elderly women approached Age Concern recently with the idea of setting up a housing co-operative. They each agreed to contribute £50 to £100 to a fund so that if one member of the co-op became ill some of the money could be used to employ a care-giver.

One strategy that could be financially dangerous would be to give away money to a trusted friend or relative and thus appear to be in need of state assistance.

"Some pensioners may be persuaded to gift their assets in order to qualify for state assistance," said Fiona Price, director of the London-based financial advisory firm Fiona Price Associates. "Although technically feasible, this approach is fraught with dangers. If the authorities found out that the transfer of assets was related to an application for a nursing home place they would probably deny assistance."

Furthermore, if you rely solely on the state for long-term care financing, you will probably have little say in the type of care allocated.

Private nursing homes are in business to make money, said Sarah Green Burger, author of "Nursing Homes: Getting Good Care There." She said that therefore "people have to shop around as the quality of care varies enormously between institutions."

## For further information:

• SARA GREEN BURGER, author of "Nursing Homes: Getting Good Care There," 1 202 352 2275  
• AMERICAN ASSOCIATION OF RETIRED PERSONS: 1 202 638 5802  
• AGE CONCERN: 01 4181 679 0000

## BRIEFCASE

Two U.S. Mutual Funds  
Open to New Investors

Two U.S. mutual funds with excellent long-term records have put out the welcome mat for new investors, no doubt because the performances of both have been slipping recently.

First is the Berwyn Income fund, which closed to new investors in August 1995.

Berwyn rose 12.4 percent a year, on average, a full percentage point more than all domestic hybrid funds, for the five years ended March 22, according to Morningstar Inc., the fund-tracking firm in Chicago. But its three-year return is 10.7 percent a year, compared with 12.4 percent for its group.

Stein Roe Capital Opportunities, which closed in September, has also decided to take new investors again. The fund gained more than 17 percent a year in the three and five years ended March 22, versus 13 percent for its group, mid-capitalization growth stock funds.

But last year, the fund lost nearly 5 percent, compared with a 3.8 percent increase for its group, Morningstar said. (NYT)

Morningstar Creates  
Interactive Site on Web

Morningstar has opened an interactive web site (www.morningstar.net) that covers more than 15,000 stocks and funds. Investors can create portfolios and monitor them throughout the day. The site also offers commentary and research by the Morningstar staff. (NYT)

## Money Report On-Line

The Money Report now has an e-mail address. Readers are invited to send questions and comments to moneyrep@iht.com.

## In a Dickey Market, You're the Enemy

**I**T TOOK JUST two brutal days of trading last week for the Dow Jones industrial average to drop 297 points. Complacent investors, who might have forgotten 1987 and probably never went through 1973-74, got a rude awakening.

No doubt you were scared. And you will probably be scared again in the weeks ahead. This is a volatile, high-priced market. It is for cool, patient investors only. The skittish and the greedy need not apply.

It is a time to play defense and to remember Benjamin Graham's admonition: "The investor's chief problem — and even his worst enemy — is likely to be himself."

If you are smart, you will recognize this human condition and construct your portfolio accordingly.

So, here is some advice, behavioral and financial, for a dicey market getting ever dicier:

• Hold onto good companies. If they were not good, you should not have bought them in the first place. If they are good, their prices will rise with their profits — not smoothly over the short term, but certainly over the long. That is what history shows: prices and profits are inexorably linked.

The only reasons to sell right now are to correct mistakes or to reorder badly built portfolios.

• Pay as little attention as possible to the daily fluctuations of the stocks you own. This is important even (in fact, especially) if the market drops severely. Short-term movements are meaningless to the long-term investor. They only make you more frightened, increasing the chances that you will do something stupid, such as sell a great company.

Consult newspaper stock tables only once a week, or even once a month, to check your portfolio. But do not neglect the prices of potential purchases. If the market is sliding, your reflexive thought should be "buy," not "sell."

• Try to ban the word "market" from your investing vocabulary. Unless you are buying an index fund, you do not invest in the market; you invest in stocks of businesses.

Ignore predictions about the economy. A possible course for the year ahead goes like this: booming economy causes Federal Reserve Board to boost interest rates, thus curbing off growth and perhaps precipitating a recession. That scenario would be bad for stocks — but only in the short term. The market would soon start looking for an uptick in the economy, and stocks would rise. Long-term shareholders have the luxury of not needing to worry about such cycles — except to realize that they present buying opportunities.

Warren Buffett, chairman of Berkshire Hathaway Inc., put it best: "If we find a company we like, the level of the market will not really impact our decisions. We will decide company by company. We spend essentially no time thinking about macroeconomic factors. In other words, if somebody handed us a prediction by the most revered intellectual on the subject, with figures for unemployment or interest rates, or whatever it might be for the next two years, we would not pay any attention to it."

• If you recognize that you lack the discipline to be a long-term holder of stocks, this could be a good time to diversify into bonds. Interest rates may

rise, but Treasury securities have become attractive. The five-year note was yielding 6.7 percent last week, up from 5.8 percent in late November.

• With new money you are seeking to invest, think global. John Wright of David L. Babson & Co. in Cambridge, Massachusetts, recently told clients: "Even when an economy is stagnating, as Japan's and Europe's have been of late, there are frequently good investment opportunities, involving companies that are forging ahead and creating above-average growth and earnings."

You can trade individual foreign stocks on many domestic exchanges, but for most small investors, mutual funds may make more sense since foreign financial statements can be confusing and diversification is a must.

• If you have new money to invest, recognize that some of the world's best companies are cheaper today than they were two months ago. You may have shunned Johnson & Johnson Co. when it was peaking at \$63 on Feb. 18, but what about now at \$54? It's hardly cheap, trading at a price-to-earnings ratio (based on 1997 estimated profits) of 22, but that's less risky than 28.

Intel Corp. is down 16 percent from its February high. For a company whose profits grew 44 percent last year, a P/E of 16 is not bad. Even high-flying Microsoft Corp., which combines creativity, marketing smarts and an almost vicious competitive drive, is worth a serious look for long-term investors.

Washington Post Service  
VANGUARD GROUP, the pass-through fund manager in Valley Forge, Pennsylvania, has just published "Bear Market: A historical perspective on market downturns." To obtain a copy of the free booklet, call toll-free in the United States, 1 800 662 3447 or 610 669 1000, or visit Vanguard's web site at www.vanguard.com.

## With 'Funds of Funds,' One Pick for Twice the Price

By Carole Gould

**I**NVESTORS STRUGGLING to pick from among the 8,000 stock and bond funds on the market can simplify the task by choosing a "fund of funds." These investments own shares in other mutual funds and boast several advantages: simplicity, diversification and access. Only one thing is generally missing — good returns.

"I don't rule out the possibility that actively managed funds of funds could be a good package," said Don Phillips, president of Morningstar Inc., the fund-tracker in Chicago. "I just haven't seen anyone do it right yet."

The group, still in its infancy, is poised for explosive growth, as fund companies reach out to new investors and others seeking simple investment choices. In the last six months, Fidelity Investments and Scudder, Stevens & Clark began selling packages of their own funds.

Over all, there were 53 funds of funds in 1996, up from 32 a year earlier and 18

in 1990, according to Morningstar. A decade ago, there were only seven.

Funds of funds, also known as multi-funds, are intended to offer investors one-stop shopping while giving them broad-based exposure to a variety of markets. The vast majority mix U.S. stock and bond funds, although five also dabble in overseas stocks. Several own shares in intermediate-term bond funds, and one mixes various types of bond funds.

Most are actively managed, which means that they can buy shares of any mutual fund. A handful, including T. Rowe Price's Spectrum funds, Vanguard

Star and the Fidelity Freedom series, own shares only in the funds of their own company. Diversification is the chief advantage: a single fund of funds can own shares in a dozen other funds, including some that otherwise are closed.

But in general, a fund of funds is a costly way to build a fund portfolio. Investors pay the management costs of whoever is sponsoring the umbrella fund, but they also pay all the expenses of the underlying funds. That double layer of expenses takes a big bite out of returns.

While the multifunds have not been widely tested in all types of market

cycles, their returns have been disappointing so far. Of multifunds that mix stocks and bonds, only 4 of the 14 with five-year records beat their peer groups, as defined by Morningstar, for the period ended in February.

Vanguard Star is one of the few multifunds that have consistently beaten peer groups. For the five years ended in February, it gained 13.1 percent a year, on average, compared with 11 percent for all domestic hybrid funds. For the one- and three-year periods, it was ahead of that group by three percentage points a year.

The New York Times.

## Building Boon: Baby-Boom Retirees

By Aline Sullivan

**I**NVESTMENTS THAT target aging baby boomers seem almost a sure bet, at least to many building and construction companies. The generation constitutes a market that is hard to resist. In the United States, for example, the number of people age 55 and older is projected by the Organization for Economic Cooperation and Development to rise 21 percent in the next 10 years. Similar gains are expected in most other developed countries.

Better still, this generation is retiring early and with money. The so-called empty-nesters — couples or singles whose children have grown up and left home — will account for almost one third of households by 2010. But many retirees are reluctant to rattle around in what used to be a family home.

Instead, they are flocking to vast retirement communities, which offer up-to-date housing and recreational facilities. These mini-cities have everything from supermarkets to on-site medical clinics. Shuffleboard is passé; residents sip about on golf carts from their aqua aerobic classes to bocce games.

Not surprisingly, building and construction companies are falling over each other for a slice of this market, particularly as demand for other forms of

new housing tapers off on expectations of rising interest rates. But industry analysts warn that only the best-managed and established companies will be able to develop a substantial presence.

"Clearly, the demographics are in the favor of this business, and the companies that do it well should prosper," said Stephen Dobi, an analyst at Goldman, Sachs & Co. in New York. "But remember that the first retiree in a new community expects every facility to be in place. That makes it a very capital-intensive business."

The granddaddy of the builders is Del Webb Corp., based in the retirement mecca of Phoenix, Arizona. More than half its 100,000 so-called active-adult communities are in the company's Sun Cities projects. Its 1988 restructuring, in which the company focused on its adult communities by divesting hotels and casinos, is paying off. Last year, it had record earnings of more than \$1 billion.

Del Webb is currently developing two Sun City communities in Arizona, two in California, two in Nevada and one each in South Carolina and Texas. Plans to acquire land northwest of Chicago could result in its first foray north.

Moving north may not be a bad idea. According to Robert Strudler, chairman of U.S. Home Corp. in Houston, the second-largest builder of retirement communities in America and the only

other one widely recommended by industry analysts, 85 percent of retirees never leave their hometowns, choosing to remain near family and friends.

U.S. Home has long been established in colder regions, particularly in New Jersey, where it has operated for 20 years, and is currently expanding in Colorado, Ohio and Texas. It also manages more than 50 communities in Florida and Arizona. The company completed 1,620 retirement and active-adult homes last year, which accounted for more than \$260 million in revenue, or 23 percent of the company's total sales. Mr. Strudler expects this proportion to rise to 33 percent by the end of this decade.

Outside the United States, the business is just taking off. Retirement communities represent just a fraction of the sales of the big builders, while the niche players are privately owned. That scenario could change radically in the next decade, however, as the concept becomes entrenched, industry analysts said.

Investing in building companies that are targeting aging baby boomers may not be a sure thing, but it is well worth considering. According to U.S. Home Corp. figures, people over 50 years old own 77 percent of the financial assets in the United States. Their discretionary spending per capita is more than 20 percent higher than the national average.

## Profiting From the Coming Shift

Continued from Page 15

in adopting new technologies. It was not because we were Luddites, but because we were younger and had more labor and less financial capital than those countries did.

What we needed to do during those years was not to install robots in our factories, but to find jobs for our young people.

Automobiles. The car industry has not learned any demographic lessons from the past. I do not think Lee Iacocca had any idea of demographics when he came up with the minivan. Chrysler was lucky. Once the kids are out of the house, you do not need a minivan any more than you need a five-bedroom house. That means luxury sedans and sport-utility vehicles will be the big sellers in the decade ahead.

Retailing. Quality and service, not price, are the retail watchwords for an older population. We are all retail analysts because we all inspect retail stores on a regular basis. Investors will have plenty of opportunity to

decide which ones have what it takes in an aging society.

Manufacturing. In international trade, older countries have an advantage. They know the marketplaces of younger countries because they have already experienced the same demographics in their own domestic market.

Ikea had plenty of experience supplying household furnishings to young Swedes assembling their first homes before it arrived in North America to exploit a huge new market of young baby boomers.

Leisure. Gambling, one of the fastest-growing leisure activities in North America, is a relatively easy industry for the investor to follow. Serious and recreational gamblers tend to be people in their 50s and 60s who have enough discretionary income to afford this pastime.

Baby boomers are about to start going to casinos, but that does not necessarily mean they will be a good investment. We could be flooding the market.

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# WORLD ROUNDUP

## French Test Positive

**SOCCER** Bernard Lama, the French national goalkeeper, could face a two-month ban for smoking cannabis, his club, Paris St-Germain, said Friday.

"The procedures were not followed," said Lama, who has asked for a second test.

Lama failed a test before France's game against Sweden Wednesday and was replaced by Monaco's Fabien Barthez, who failed a test in 1995 and was suspended for two months.

David Garcia has been suspended for 18 months by the French soccer federation after testing positive for steroids, club sources said Friday. It is the longest ban imposed on a French player for doping. Garcia, 23, who has been playing for Lille on loan from Nantes, has appealed and will be allowed to play pending the appeal. (AP, Reuters)

## Sa Pinto Suspended

**SOCCER** Ricardo Sa Pinto, who last week attacked Portugal coach Artur Jorge, was suspended by the Portuguese league Friday, just days after he was barred from international. The league said Sa Pinto would be barred while an inquiry took place into the incident. (AP)

## Mets Buy Japanese

**BASEBALL** The New York Mets acquired pitcher Takashi Kashiwada from the Yomiuri Giants on Thursday for cash in the first transaction between the Japanese team and a major league organization.

Kashiwada, 25, participated in the Mets' spring training as part of an educational exchange. He is expected to join the Class AAA affiliate at Norfolk, Virginia.

Pitcher Curt Schilling agreed to a \$15.45 million, three-year contract extension with the Philadelphia Phillies. In his seven-year career, Schilling is 53-52, with a 3.46 earned run average. (AP)

## Women Target Olympics

**OLYMPICS** A women's group called on the International Olympic Committee on Friday to apply the same sanctions to countries that discriminate against women in sport as were imposed on apartheid South Africa. The Atlanta/Sydney Plus Group is taking its cause to the United Nations Human Rights Commission, which is meeting in Geneva. The group says 25 countries sent only male competitors to the 1996 Atlanta Olympics — down from 35 all-male teams in Barcelona four years earlier. Ten of those countries were African, 10 Asian, three were Caribbean and two in Oceania. (Reuters)

## Test Delayed by Rain

**CRICKET** Heavy rain Friday washed out the opening two sessions of the fourth test between West Indies and India in St. John's, Antigua. (Reuters)

# Australia Takes Lead Over Woozy Czechs

## Sweden and South Africa Tied, 1-1

Compiled by Our Staff From Dispatches

Australia grabbed a 2-0 lead over the flu-hit Czech Republic in their Davis Cup quarterfinal in Adelaide on Friday.

Australia's big servers Mark Philippoussis and Patrick Rafter proved too powerful for Martin Damm and stand-in David Rikl in overcast breezy conditions on the Memorial Park grass court.

Rikl was pitched into his Davis Cup debut as a last-minute replacement for Jiri Novak, who went down with flu overnight.

Rafter put Australia ahead when he beat Damm, 6-1, 7-6 (9-7), 4-6, 6-4, in the first rubber. Philippoussis then beat Rikl, 6-1, 6-4, 2-6, 6-4.

Damm, the highest-ranked player in the Czech team, struggled against Rafter's accurate first serve and wasted a chance to make a break at 3-3 in the fourth set.

"It was a very, very critical point in the match," Damm said. "It was unfortunate I could not make those points."

Philippoussis used his rocket service to telling effect, hitting 15 aces in the 115 minute encounter with the gritty left-handed Rikl. But the 20-year-old Australian showed a lack of discipline, throwing away points going for winners and totaling 12 double faults.

The 25-year-old Czech broke the Australian in the third set with the help of a delightfully lofted backhand return.

Sweden, 4, South Africa 4 in Vaxjo, Sweden, Thomas Enqvist beat Grant Stafford in the first rubber of its quarterfinal but Wayne Ferreira squared the match with a victory over Jonas Bjorkman.

Enqvist, ranked seventh in the world, beat the 69th-ranked Stafford, 7-5, 2-6, 6-4, 6-1.

"I was struggling in the second set," Enqvist said. "But in the third and fourth sets I think I served much better than in the first two sets. I found my rhythm again."

Ferreira beat Bjorkman, 3-6, 4-6, 6-2, 6-7 (3-7).

Italy 1, Spain 0 Omar Camporese of Italy fought back from a two-set deficit to upset Carlos Moya, 6-7 (8-10), 6-7 (4-7), 6-1, 6-3, 6-3 in the first rubber of their World Group quarterfinal in Pesaro, Italy.

Camporese, 28, who nearly retired in 1993 following a bad elbow injury, needed three hours and 41 minutes to win a tense match.

Camporese, ranked No. 156 on the ATP computer, relied on good serves and powerful forehands to overcome Moya, ranked No. 8 in the world.

Camporese lost the first two sets on tiebreakers, the first after wasting two set points.

But Moya lost concentration in the third set. Camporese broke serve in the second and fourth games and took the set, 6-1. Camporese took command in the fourth set and broke Moya twice to level the match.

In the decisive fifth set Camporese, supported by a noisy partisan crowd of 5,000, made a decisive break in the second game with good returns and powerful forehands. He then held his serve to 6-3 for an unexpected victory.

**Cotzler Upsets Champion**

Martina Hingis, the new world No. 1, beat Wtndr Probst of Germany, 6-2, 6-0, Friday in the quarterfinals of the Family Circle Magazine Cup on Hilton Head Island, South Carolina. Monica Seles, seeded fourth, also advanced, beating another German, Anke Huber, 6-3, 6-0.

On Thursday, Amanda Cotzler beat defending champion Arantxa Sanchez Vicario of Spain, 6-2, 5-7, 6-0, in the third round. (AP, AFP, Reuters)



Thomas Enqvist stretching to hit a backhand against Grant Stafford.

# Upsets Decide EuroLeague's Final Four

By Ian Thomsen  
International Herald Tribune

Three winner-take-all games in the EuroLeague basketball quarterfinals produced three upsets and a brouhaha over refereeing.

None of the top seeds advanced to the European Final Four, to begin in Rome on April 22, where the semifinals will match Barcelona against the most un-

## EUROPEAN BASKETBALL

likely contender, Villeurbanne of France, and the Greek champion Olympiakos of Piraeus will play Olimpija Ljubljana of Slovenia. The winners will meet two days later for the championship.

Two of the survivors provided huge surprises Thursday, a night when all of the favored home teams lost their decisive quarterfinals.

The Italians were especially annoyed because two of the losers were Milan and TeamSystem Bologna. Their losses ended the possibility of an Italian team winning the European Championship for the first time since the 1987 and 1988 Milan teams inspired by Bob McAdoo.

Milan was smothered 77-61, by visiting Ljubljana, a club of great tradition and fearless defense. Ljubljana will be a good dark horse to win the title. The Slovenians' deep bench and endless defensive pressure will provide a difficult test for Olympiakos, which is probably the most talented team in the Final Four.

Olympiakos, which clinched its quarterfinal earlier in the week against its cross-town rival, Panathinaikos of Athens, is piloted by David Rivers, the American point guard (formerly of Notre Dame) who as a free agent is eager to affirm his value by winning a championship. Rivers has been criticized in Greece for not being a team player, but now he can have the last word. His instincts to take it to the hoop himself might prove crucial against the defensive pressure.

Bologna fell, 87-62, to Barcelona in a series that was virtually decided by a referee's whistle two nights earlier. Bologna believed Tuesday night that it had won the playoff on a last-second three-pointer by Dan Gail. The referee ruled, however, that the shot didn't beat the buzzer. The Italian league president, Angelo Rovati, said his club and its fans were being "taken for a ride."

Barcelona obviously felt little sympathy, still believing that it was robbed of last year's European Championship by a refereeing decision to allow a game-winning block by Stojko Vrankovic of Panathinaikos in the last seconds of the final. Replays showed that Vrankovic had probably been guilty of goaltending.

The biggest shock of all was suffered in Istanbul by Efes Pilsen, which was outworked in the second half of its 62-57 loss to Villeurbanne. Many believed that Efes Pilsen would win the title this year behind its Macedonian point guard, Petar Naumoski. The opportunity will go instead to Villeurbanne, which has overcome injuries to its two centers by exploiting the best passing game among the teams headed to the Final Four.

# Bullets Shoot a Few Holes in Bulls' Invincibility

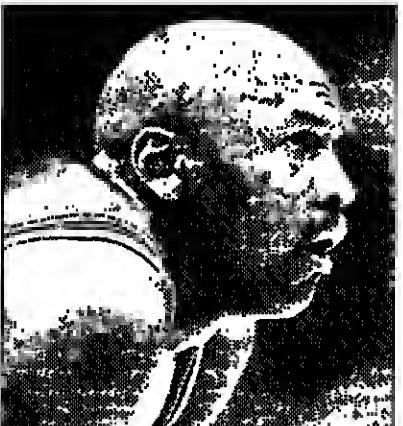
Compiled by Our Staff From Dispatches

The Chicago Bulls called it a wake-up call. They talked about the need to "elevate our game" and "match their intensity." They heaped praise on Rod Strickland and Gheorghe Muresan and the way the Washington Bullets were playing their best when the games count the most.

They all agreed that the Bulls had made an impressive and surprising statement in defeating them, 110-102, Thursday at USAir Arena.

"Give them credit," Michael Jordan said. "They came in and played us strong. We really couldn't stop Rod Strickland's penetration, and Muresan is a tough guy to move out of there. He was able to get some rebounds and just put it back in. When that happens, you can't control the tempo."

What the Bulls graciously didn't point out is that they're coasting into the playoffs, with Coach Phil Jackson anttempting to cut his stars' playing time.



Michael Jordan watching the Bulls cruise to victory over the Bullets.

What the Bulls also didn't point out is that they played the game with just one serviceable big man — Luc Longley.

The Bulls won because Muresan dominated inside with a season-high 24 points and 13 rebounds and because the Bulls had no one capable of guarding Strickland, who had 26 points, 14 assists and 7 rebounds. The Bulls got 34 points from Jordan but lost the rebounding battle decisively.

Clippers 113, Magic 94 In Orlando, Darrick Martin scored 31 points, 23 of them after halftime, and the Clippers came from behind to snap a four-game losing streak.

The loss was the fourth straight for Orlando, which faltered in the second half and saw its lead in the race for the seventh playoff position in the East shrink to two games over Cleveland.

SuperSonics 103, Bucks 80 In Seattle, the Sonics opened a 20-point lead in the first quarter and weren't seriously threatened the rest of the way.

Gary Payton scored 22 points, Sam Perkins 17 and Detlef Schrempf 13 in his first start in more than a month.

Heat 92, Pacers 78 Jamal Mashburn scored 23 points, including 10 straight in the fourth quarter, as Miami won in Indianapolis and opened a three-game lead in the Atlantic Division race.

Alonzo Mourning scored 17 points and Voshon Lenard 15 as Miami swept the season series for the first time.

Hornets 93, Nets 87 Matt Geiger had 11 of his 18 points in the third quarter, when visiting Charlotte outscored New Jersey by 26, and Glen Rice scored 17 of his 24 points in the second half as the underdog Hornets rallied from a 12-point deficit to win.

Warriors 106, Mavericks 90 NBA commissioner David Stern somehow felt this game was worth his while, and he sat in the stands in San Jose and watched Latrell Sprewell score 25 points as Golden State sent Dallas to its season-high ninth straight loss. (WP, AP)

## NBA ROUNDUP

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# SCOREBOARD

## BASEBALL

### MAJOR LEAGUE STANDINGS

AMERICAN LEAGUE	EAST DIVISION	Pct.	GB
Baltimore	2	1.000	0
Boston	1	.500	1
New York	1	.500	1
Toronto	1	.500	1
Detroit	1	.500	1
CENTRAL DIVISION	Pct.	GB	
Minnesota	3	1.000	0
Chicago	1	.500	1
Cleveland	1	.500	1
Milwaukee	1	.500	1
Kansas City	0	.000	2
NATIONAL LEAGUE	EAST DIVISION	Pct.	GB
Atlanta	2	1.000	0
Florida	1	.500	1
Philadelphia	1	.500	1
St. Louis	1	.500	1
WEST DIVISION	Pct.	GB	
Los Angeles	2	1.000	0
San Diego	1	.500	1
San Francisco	1	.500	1
Colorado	1	.500	1

## BASKETBALL

### NBA STANDINGS

EASTERN CONFERENCE				WESTERN CONFERENCE			
ATLANTIC DIVISION				PACIFIC DIVISION			
W	L	Pct	GB	Dallas	W	L	T
32	21	.605 <td>0</td> <td>Edmonton</td> <td>27</td> <td>23</td> <td>23</td>	0	Edmonton	27	23	23
32	21	.605 <td>0</td> <td>San Jose</td> <td>27</td> <td>23</td> <td>23</td>	0	San Jose	27	23	23
40	22	.548 <td>3</td> <td>St. Louis</td> <td>27</td> <td>23</td> <td>23</td>	3	St. Louis	27	23	23
38	25	.492 <td>10</td> <td>Cal. Harpers</td> <td>26</td> <td>24</td> <td>18</td>	10	Cal. Harpers	26	24	18
34	28	.422 <td>13</td> <td>Phoenix</td> <td>26</td> <td>24</td> <td>18</td>	13	Phoenix	26	24	18
36	31	.390 <td>17</td> <td>San Jose</td> <td>26</td> <td>24</td> <td>18</td>	17	San Jose	26	24	18
31	35	.300 <td>23</td> <td>San Jose</td> <td>26</td> <td>24</td> <td>18</td>	23	San Jose	26	24	18
28	35	.292 <td>23</td> <td>San Jose</td> <td>26</td> <td>24</td> <td>18</td>	23	San Jose	26	24	18
23	41	.363 <td>29</td> <td>San Jose</td> <td>26</td> <td>24</td> <td>18</td>	29	San Jose	26	24	18
13	48	.268 <td>42</td> <td>San Jose</td> <td>26</td> <td>24</td> <td>18</td>	42	San Jose	26	24	18
CENTRAL DIVISION				NORTH DIVISION			
43	18	.704 <td>—</td> <td>San Jose</td> <td>26</td> <td>24</td> <td>18</td>	—	San Jose	26	24	18
51	22	.699	12	San Jose	26	24	18
47	26	.643 <td>16</td> <td>San Jose</td> <td>26</td> <td>24</td> <td>18</td>	16	San Jose	26	24	18
47	26	.643 <td>16</td> <td>San Jose</td> <td>26</td> <td>24</td> <td>18</td>	16	San Jose	26	24	18
38	35	.520 <td>25</td> <td>San Jose</td> <td>26</td> <td>24</td> <td>18</td>	25	San Jose	26	24	18
38	35	.520 <td>25</td> <td>San Jose</td> <td>26</td> <td>24</td> <td>18</td>	25	San Jose	26	24	18
34	39	.464 <td>29</td> <td>San Jose</td> <td>26</td> <td>24</td> <td>18</td>	29	San Jose	26	24	18
27	47	.366 <td>35</td> <td>San Jose</td> <td>26</td> <td>24</td> <td>18</td>	35	San Jose	26	24	18
WEST DIVISION				NORTH DIVISION			
W <th>L</th> <th>Pct</th> <th>GB</th> <th>San Jose</th>	L	Pct	GB	San Jose	26	24	18
55	17	.764	—	San Jose	26	24	18
47	25	.656 <td>6</td> <td>San Jose</td> <td>26</td> <td>24</td> <td>18</td>	6	San Jose	26	24	18
36	37	.493	19	San Jose	26	24	18
22	51	.303	33	San Jose	26	24	18
22	51	.303	33	San Jose	26	24	18
NHL STANDINGS				NHL STANDINGS			
EASTERN CONFERENCE				WESTERN CONFERENCE			
ATLANTIC DIVISION				PACIFIC DIVISION			
W	L	T	Pct	W	L	T	Pct
32	21	1	.605	San Jose	26	24	.519
32	21	1	.605	San Jose	26	24	.519
40	22	1	.643	San Jose	26	24	.519
38	25	1	.605	San Jose	26	24	.519
34	28	1	.548	San Jose	26	24	.519
36	31	1	.548	San Jose	26	24	.519
31	35	1	.422	San Jose	26	24	.519
28	35	1	.422	San Jose	26	24	.519
23	41	1	.363	San Jose	26	24	.519
13	48	1	.268	San Jose	26	24	.519

## HOCKEY

### NHL STANDINGS

CF	GA	First Period: N.Y. - Polffy 46 (Green) 3, S.L.
259	200	Murphy 10 (Turgeon, McNeil) 3, N.Y. -
216	171	Seimstad 26 (Polffy, McCabe) (pp). Second
208	190	Period: S.L. - Loach 2 (Pellerin, MacInnis) 5,
246	217	S.L. - Demaris 1 (Murphy, Turgeon) (pp).
194	221	Third Period: S.L. - Courmoult 17 (Pronger,
228	232	Fuhr) 7, S.L. - Demaris 2 (Petrovich,
203	233	Courmoult) & N.Y. - Green 32 (Andersson) 9,
		N.Y. - Beruzzi 9 (Andersson) 10, N.Y. - Polffy

## TRANSITIONS

**BASEBALL**  
MAJOR LEAGUE BASEBALL  
TEXAS — Retired L.W. Clark on 15-day disabled list retroactive to March 22. Bought contract of D-F Mike Squires from Oldham Chy. AA. Sent INF Dave Silver to outright to Oklahoma City.

**NATIONAL LEAGUE**  
N.Y. Mets — Bought contract of LHP Takashi Kashiwada from the Tokyo Yomiuri Giants for \$2.5 million. Put C Bill Wengert on injured list.

**FOOTBALL**  
MAJOR LEAGUE FOOTBALL  
ATLANTA — Agreed to terms with O.J. Feunou and CB Lenny McCall on one-year contracts.

**BASEBALL**  
MAJOR LEAGUE BASEBALL  
TEXAS — Retired L.W. Clark on 15-day disabled list retroactive to March 22. Bought contract of D-F Mike Squires from Oldham Chy. AA. Sent INF Dave Silver to outright to Oklahoma City.

## CRICKET

**SHRANAI CUP**  
SR LANKA VS. PAKISTAN  
SR LANKA (199) vs. PAKISTAN (199) in Sharana, UAE. Sri Lanka won by 10 runs (20 overs). Pakistan won by 19 runs.

**RUGBY UNION**  
SUPER 12  
IN PHILADELPHIA, NEW ZEALAND  
Auckland 29, Canterbury 28.

## THE WEEK AHEAD

**SATURDAY, APRIL 5**  
CRICKET — South Africa vs. Australia, fourth one-day international. Various sites — ICC Trophy, through April 13.

**SUNDAY, APRIL 6**  
CRICKET — South Africa vs. Australia, fifth one-day international. Various sites — ICC Trophy, through April 13.

**MONDAY, APRIL 7**  
TENNIS — Eastern, Portugal — ATP Tour, Eastern Open, through April 13. Hong Kong — ATP Tour, Eastern Open, through April 13.

**TUESDAY, APRIL 8**  
SOCCER — Various sites — UEFA Cup, semifinals, first leg, Inter Milan (Italy) vs. Arsenal (England). Various sites — UEFA Cup, semifinals, second leg, Arsenal (England) vs. Inter Milan (Italy).

**WEDNESDAY, APRIL 9**  
SOCCER — Various sites — European Champions Cup, semifinals, first leg, Ajax (Netherlands) vs. Juventus (Italy). Various sites — European Champions Cup, semifinals, second leg, Juventus (Italy) vs. Ajax (Netherlands).

**THURSDAY, APRIL 10**  
SOCCER — Various sites — European Cup Winners' Cup, semifinals, first leg, FC Barcelona (Spain) vs. Fiorentina (Italy). Various sites — European Cup Winners' Cup, semifinals, second leg, Fiorentina (Italy) vs. FC Barcelona (Spain).

**FRIDAY, APRIL 11**  
SOCCER — Various sites — Copa Libertadores, first round, Group 1, Colo Colo (Chile) vs. River Plate (Argentina). Various sites — Copa Libertadores, first round, Group 2, Boca Juniors (Argentina) vs. Santos (Brazil).



SPORTS

# 2 Teams Suspected of Dodging Payroll Tax

**Washington Post Service**  
BALTIMORE—Baseball officials say they suspect that the Baltimore Orioles and the Florida Marlins circumvented the rules of the new payroll taxation system by announcing contract extensions for Cal Ripken and Gary Sheffield on Wednesday.

Because the deals were announced after April 1, the teams will not have to pay any additional money this year.

Under the tax system, the five teams with the highest payrolls are assessed a 35 percent penalty on all money devoted to player compensation above \$51 million. A player's salary is considered to be the average annual value of his contract, not his actual salary for the season.

If the contract extensions had been

announced before April 1, the new average annual values of the players' contracts would have been taxed this season.

Baseball's leaders have no plans to investigate the matter because they do not feel they would be able to prove any wrongdoing, baseball sources said.

"Do I believe they had those deals before? Yes," a top baseball official said. "But how am I going to prove it if the players, the agents and the teams all say otherwise?"

On Wednesday, the Orioles announced immediately after a 4-2 season-opening victory over the Kansas City Royals that Ripken had agreed to a two-year contract extension through 1999 that guarantees the third base-

man \$15.1 million, with a third-year team option that could make the deal worth \$18.9 million. Also on Wednesday, the Marlins announced that Sheffield had signed a six-year, \$61-million extension.

The Orioles have a payroll of approximately \$55 million for 1997. Ripken and team officials say their deal was completed just before game time, and assistant general manager Kevin Malone denied that there was an agreement before then.

"It wasn't even 100 percent sure when the game started," he said. "It was 95 percent. People who think there was a deal before that don't know what they're talking about."

"I know the timing is strange," he continued. "But that's usually when

things happen, right before a deadline."

**No Orioles' Game in Cuba**

The U.S. Treasury Department has denied a request by the Orioles owner, Pete Angelos, to take his team to Cuba next fall, saying it was inconsistent with U.S. policy toward the country.

The St. Paul Saints, an unaffiliated minor league baseball team, were also denied permission to visit Cuba, which has been under U.S. embargo since 1961.

This was the second time that the Orioles have applied for permission to go to Cuba and play an exhibition game.

The application last year was also refused.



The Rangers' Niklas Sundstrom, left, fighting for the puck with Anson Carter.



Ken Caminiti of the Padres waiting at third base for the ball and Bernard Gilkey.

## Fernandez Enjoys His Homecoming

**The Associated Press**  
Alex Fernandez came through in his much-anticipated hometown debut with a victory, 8-2, over the Chicago Cubs in Miami.

Jeff Conine hit a first-inning grand slam and Moises Alou drove in two runs

**NL ROUNDOUP**

to give the Florida Marlins a three-game sweep and Fernandez a night to remember.

"I've pitched in the playoffs, and I've pitched well in the playoffs," he said. "But this was something different. There were a lot of people who know me in the crowd. I could tell when they called my name out."

The Miami Marlins signed a \$35 million, five-year contract in December after seven seasons with the Chicago White Sox. He allowed one run in 6 2/3 innings before leaving to a standing ovation from the crowd of 32,592, which included dozens of friends and relatives.

"It was an emotional feeling," he said.

With Fernandez pitching, Marlins officials hoped for a sellout, but the crowd fell nearly 10,000 below capacity.

"I can't worry about that," Fernandez said. "Trying to get major-league hitters out is enough for me to do."

Alou, who went 3-for-4, singled home Florida's first run in the first inning following a pair of walks. Devon White reached first base on an infield single, and Conine followed with his third career grand slam to make it 5-0.

"Hitting a home run — there's nothing like it in baseball," Conine said. "There might be nothing like it in sports, especially when the bases are loaded."

**Expos 3, Cardinals 4** In Montreal, Shane Andrews, Rondell White and David Segui homered as the Expos completed their first three-

game sweep to open a season.

The Expos have won 11 of their last 15 games against St. Louis, the defending NL Central champion.

Carlos Perez won his first start since Sept. 22, 1995, allowing four runs and seven hits in seven innings. He missed all of last season following shoulder surgery.

**Brewers 3, Astros 2** In Houston, Fred McGriff ended Darryl Kile's no-hit bid with a home run in the seventh, and the Braves rallied for their first victory of 1997.

McGriff's shot to left made the score 2-1, and Jeff Blauser and Keith Lockhart hit sacrifice flies in the eighth to put Atlanta ahead.

Tom Glavine allowed six hits in seven innings for the victory, the Braves' first since they took a 2-0 lead in the World Series against the New York Yankees.

**Rockies 7, Reds 1** Larry Walker keyed Colorado's first victory this season by going 3-for-5 with two run-scoring hits in a six-run fourth inning and a solo homer in the seventh.

Mark Thompson, one of the Rockies' numerous pitching concerns in spring training, scattered five hits in seven innings for the win.

**Mets 4, Padres 1** Bobby Jones pitched eight strong innings, and John Franco worked the ninth as New York avoided a season-opening sweep in San Diego.

Mets relievers blew late-inning leads in the first two games, but Jones limited the Padres to six hits in eight innings, and Franco closed out the ninth for his 324th save.

**Dodgers 2, Phillies 1** In Los Angeles, Mike Piazza homered and Todd Hollandsworth hit an run-scoring double in the sixth inning to back Ismael Valdes.

**Giants 7, Pirates 5** Jeff Kent matched a career high with five runs batted in as San Francisco withstood Mark Johnson's first career grand slam.

## Rangers Stoop to 5-4 Victory Over Bruins in Game of Goofs

**Compiled by Our Staff From Dispatches**

The Boston Bruins are a bedrock franchise of the National Hockey League. Like the Rangers, they date to the Roaring '20s. For three decades, the Bruins have been one of the NHL's better and most consistent teams, always making the playoffs, sometimes contending long into the tournament for the Stanley Cup and even winning it twice in the early 1970s.

But they have bottomed out this season as the 26th-best team in a 26-team league, the kind

network. Goalie Jim Carey, out to block the shot, couldn't scramble back in time, so Wayne Gretzky retrieved the loose puck and deposited it behind the line.

**Senators 4, Capitals 0** Ron Tugnutt got his second straight shutout, blanking Washington and improving Ottawa's prospects for its first playoff berth. The Senators moved two points ahead of Hartford and three in front of the Capitals and New York Islanders in the race for the eighth spot in the Eastern Conference playoffs.

Tugnutt stopped 21 shots against the injury-plagued Capitals, who went into the game without Peter Bondra, Jos Junes, Michal Pivonka and Chris Simoo. By the third period, they also lost Rick Tochet with a back strain and Kelly Miller with a concussion.

**Islanders 5, Blues 5** In St. Louis, Ziggy Palffy capped a three-goal, third-period comeback when he stole the puck from Igor Kravchuk and scored on a break-in.

Palffy got his 46th and 47th goals and added an assist for the Islanders, who trailed, 5-2, after Pavol Demitra got his second goal of the game — and the season.

Travis Green and Todd Bertuzzi pulled New York within one.

"It's a great feeling right now, with everything going right for us," Palffy said. "We believe in ourselves."

**Oilers 4, Blackhawks 2** Mike Grier and Ryan Smyth scored power-play goals as host Edmonton vaulted into a tie for fifth place in the West.

The victory was the Oilers' first on home ice over Chicago since 1992.

**Penguins 5, Whalers 5** Keith Primeau's second goal of the game tied it for visiting Hartford.

The Penguins trailed after two periods, but rebounded for a 5-4 lead on Mario Lemieux's 611th career goal and Ron Francis's 26th of the season, a power-play goal. Lemieux's 48th goal moved him past Bobby Hull into sixth place on the NHL career list.

**Maple Leafs 2, Red Wings 2** Brendan Shanahan and Tim Taylor scored third-period goals, lifting Detroit to the tie in the Red Wings' fifth consecutive overtime game. The tie clinched the third spot for Detroit in the West.

**Coyotes 5, Kings 4** Keith Tkachuk scored twice and added an assist as the visiting Coyotes took over fourth place in the West. (NYT, AP)

## Molitor Slam Gives Twins a Sweep

**The Associated Press**  
Paul Molitor, asked to explain his third career grand slam, looked to the stars instead of himself.

"It's not something that I have done very frequently. Maybe it's the comet. I don't know what to attribute it to," he said after Minnesota beat Detroit, 10-6, Thursday night, giving the Twins a season-opening three-game sweep.

Detroit took a 3-0 lead in the second inning on a run-scoring single by Melvin Nieves, a passed ball by Scott Aldred and a groundout by Brian Johnson.

But Matt Lawton tied it with a three-run homer in the bottom of the inning off Willie Blair, and Molitor hit his first grand slam since July 5, 1994.

The seven-run inning made a winner of Todd Ritchie, who pitched his first game in the majors.

"They'll remember him getting that grand slam, and I pitched in that game," Ritchie said. "I like that."

With his parents watching from behind home plate, he replaced starter Scott Aldred to start the fourth with Minnesota leading, 9-5. Ritchie allowed a single on his first pitch and a run-scoring double on his second, but gave up only one more hit for the next three innings.

It was the 22d loss in the last 24 games for the Tigers, dating to the end of last season, and pitching was the main culprit again. Detroit allowed eight walks — and 19 in 24 1/3 innings during the series.

**Athletics 5, Indians 4** Mark McGwire homered and Gerardo Berroa broke an eighth-inning tie with his

second homer in two days of the young season.

Berroa homered into the left-field bleachers off Eric Plunk with one out in the eighth at Oakland. Richie Lewis pitched the eighth for the victory, and Billy Taylor finished for the save.

**Orioles 8, Royals 4** Rafael Palmeiro hit a game-tying homer in the eighth for the unbeaten Orioles and Chris Hoiles hit a two-run, two-out single off Jeff Montgomery, who blew a save for the eighth time in his last 16 chances.

**Angels 2, Red Sox 0** Rookie Jason Dickson pitched a five-hitter and Garret Anderson drove in the go-ahead run at Anaheim.

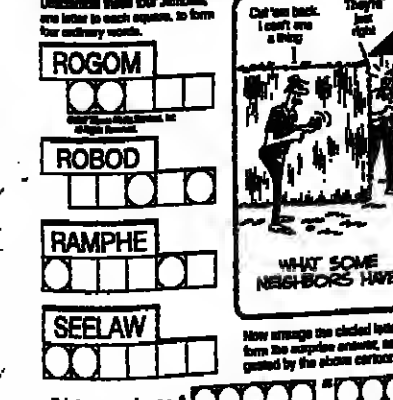
Dickson, who came to spring training hoping to be the fifth starter in the Angels' rotation, became the club's No. 2 starter after a spring training injury to Chuck Finley.

### DENNIS THE MENACE



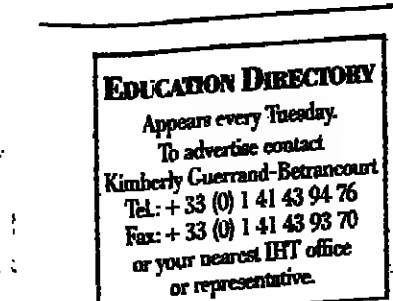
"Boy, you had it made as a kid. Dad, how come you ever left home?"

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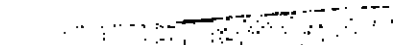
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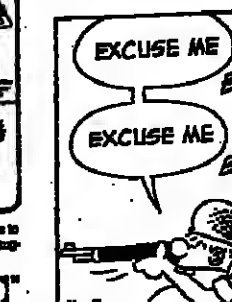


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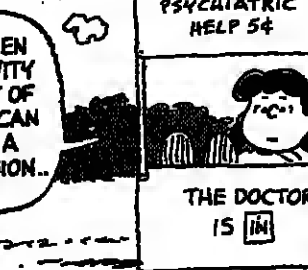
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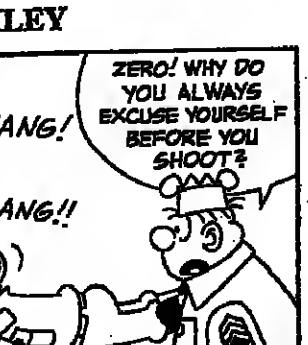
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## DAVE BARRY Income Tax Advice

MIAMI — It's time for my annual tax-advice column, which always draws an enthusiastic response from grateful U.S. readers.

"Dear Dave," goes a typical letter. "Last year, following your advice, I was able to receive a large tax refund simply by claiming a \$43,000 business deduction for 'paste.' I am currently chained to a wall in a federal prison, but they tell me that, with good behavior, in 25 years they'll remove the skull screws. Thanks a lot!"

Yes, helping people is what this column is all about. That's why today I'm going to start by answering a question that taxpayers are constantly asking, namely: "When writing a letter to the IRS, should I use hyphens?"

Not if you can help it. I base this advice on a Washington Post item, sent in by alert reader Bob Pack, concerning an internal memo distributed by the IRS counsel's finance and management division. This memo, according to the Post, stated that the deputy chief counsel, Marlene Gross, "does not want to receive any memorandums, letters, etc., with hyphenated words." This was followed by a SECOND memo, which stated that Gross "does not want hyphenated words in letters, memos, unless it is at the end of the sentence."

The Post item does not say why the deputy chief counsel feels so strongly about hyphens. But it's quite common for people to develop hostility toward certain punctuation marks. I myself fly into a homicidal rage when I see business names featuring apostrophes on either side of the letter "n," such as "The Chew 'n' Swallow Cafe." Many historians believe the 1970 U.S. invasion of Cambodia was a direct result of the fact that Richard Nixon received a memo containing a semicolon. The important thing for you the taxpayer, to remember is that if you write a letter to the IRS finance and management division, and you MUST use a hyphen, you should place it at the end of the sentence, as

shown in these two example sentences provided by the American Association of Tax Accountants Wearing Suits:

WRONG: "You fat-heads will never catch me!"

RIGHT: "You will never catch me, fat-heads!"

Speaking of finance and management, I have here an Associated Press story, sent in by many alert readers, concerning a congressional audit of the IRS. The key finding, according to the story, was that the IRS "cannot properly keep track of the \$1.4 trillion it collects each year."

Isn't that ironic, taxpayers? The IRS — the very same agency that expects you to maintain detailed records of everything but your toe nail clippings — can't keep track of \$1.4 trillion! Although I'm sure there's a good reason for this. They probably have their hands full at the IRS, what with this hyphen crisis.

But enough about punctuation. Let's answer some other common taxpayer questions, using the popular Q-and-A format.

Q. Are you saying that, as a taxpayer, I DON'T have to maintain detailed records of my toenail clippings?

A. Not if they account for 4.7 percent or less of your Adjusted Gross Bodily Debris, which you are of course required to report quarterly on Form 2038-YUK (not available) unless you are a single taxpayer filing jointly or vice versa, whichever comes first.

Q. Are we EVER going to have a federal tax system that regular people can understand?

A. Our top political leaders here all voiced strong support for this idea.

Q. So you're saying it will never happen?

A. Right. Q. I have been trying without success since 1962 to get through on the IRS taxpayer Assistance Hot Line. I understand that the IRS now also has a help site on the Internet.

A. That is correct. Now, in addition to failing to receive help by phone, taxpayers can fail to receive additional help by trying unsuccessfully to connect with the IRS World Wide Web site at <http://www.hunchofleners.gov>.

Q. When you write columns like this, do you worry that the IRS is going to get ticked off and audit you with an electron microscope?

A. No, because the guys and gals at the IRS are a fun bunch, and they know I'm just kidding around. "Ha-ha," is their reaction, unless they work in the finance and management division, where their reaction, if they know what's good for them, is "Ha ha."

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## A 'Washington Novelist' Dissects Capital

International Herald Tribune

PARIS — Ward Just is one of America's best novelists, with a surefooted probity, wit, and sense of where the country has been and is. The New York Times once called him a contender for the title of "national novelist" but he is less known than he should be, perhaps because he is not a writer who can be pigeonholed, which doesn't stop critics from trying.

The usual epithet is "Washington novelist," although he reckons that only four of his 11 novels have been

MARY BLUME

set there, including "Echo House," which Houghton Mifflin is bringing out on May 1. It is true that in such fine novels as "The American Ambassador" and "The Translator" the mighty and trustworthy hand of Washington is felt although the books are not set in the United States, and in "In the City of Fear" he wrote about the Vietnam War through the Washington powers who were its architects. But Just's subject, if it can be defined, is politics, in the sense of its root, *polis*, encompassing not only the city but who is being administrated, why and how.

"Political Washington is virtually the third rail of American literature," Just said on a visit to Paris. "No one's ever touched it — not even Theodore Dreiser who understands the marriage if you will between capitalism and politics better than any American novelist and set all his books in Philadelphia, Chicago and London."

Henry James spent a couple of seasons staying in Lafayette Square with Henry and Clover Adams and was sufficiently uninspired ("Washington talks about herself and almost nothing else") to write only one short story whose hero is a German diplomat.

Before writing "Echo House" Just had been thinking of the Washington novel as a genre because the Oxford University Press asked him to write a preface to the first one, Mark Twain's "The Gilded Age" (1873), a satire followed soon after by the finest satire of all, "Democracy" by Henry Adams. There have been satires since, and thrillers and historical novels and forgotten attempts like "Advice and Consent" but Washington has never attracted the finest writing talents, says Just, because a knowledge of government is required, not the newspaper headlines, but how it functions, how deals are made and favors exchanged, what is given and what conceded, what territory is gained and what is lost.

"The other, probably more important reason is that Washington, unlike London, unlike Paris or Rome or Madrid, has no native intellectual class," he says. In a huge unwieldy country like the United States it was perhaps necessary to place the nation's capital in a faceless marshland but the result was an unreal self-centered city cut off from the rest of the country, except of course when its own interests were concerned. Even F. Scott Fitzgerald noted that when Washington was chosen "the intellectual drifted to the Metropolis and our politics were childish from lack of criticism."

The Echo House of Just's new novel is a fine



Just: Political Washington is "the third rail of American literature."

mansion, owned by the Behl (pronounced Bell) family since 1916 and so named because of the repetition of rooms, each perfectly square but diminishing in size, an echo of the previous room.

Constance Behl, wife of a senator, foresees a time when Washington will rise from a dull Southern village to an immense power "where the big cats did their business and then came home" and where her dinner table, as carefully arranged as a military redoubt, but prettier of course, had "a commercial environment where practical conversation could flourish."

Constance's vision is fulfilled as her son Axel and his son Alec rise through our century's end to great position, out as elected officials, but as the insiders who run the nation. The nation is of course of minor importance compared to Washington — there is a wonderful scene where Axel, listening to a debate in the House, hears the congressmen's regional accents with astonishment, as if they were talking Swahili. They may well be: it is only Washington that exists, and it is the fixers without portfolio, as Just calls them, who run it.

The Behls are lifetime insiders. "To become an insider the first thing you have to do is be prepared never to speak your mind in straight declarative sentences," Just says.

In "Echo House" Richard Nixon never makes it as an insider although he has been in Washington since 1946. "They definitely see him as an outsider," Just explains, "because if they see him as an insider what does this say about themselves?"

The rules are strict — loyalty (which leaves space for its obverse, betrayal), compromise, discretion.

Although Just does not mention the Clinton administration in the book, he says it is clear that they don't know the rules. "No, they certainly don't, which ought to make them more attractive than they are."

Born near Chicago in 1935, Just says he first learned about power from his grandfather, a newspaper publisher. "In those days one of the reasons you wanted to be a newspaper publisher, particularly in a small town, was by God you can run things. And he told me once, power accumulates in direct relation to its source. It's much better to use power not so much directly but as a threat."

"I think that's as succinct a definition of real power as any I know because among other things it's ideally suited to Washington, which basically runs on inertia. There's this enormous boulder that everyone has their shoulders against. Meanwhile the man with this punitive power is standing off to one side saying, 'Push away boys.'"

When Just arrived in Washington in 1961 to write for Newsweek, he duly read Lewis Deschler's 727-page "The Rules of the House of Representatives" and was utterly mystified for his year and a half of covering Congress although he was noticed by the newspaper powers that be and, for The Washington Post, became one of the great Vietnam correspondents, wounded by a grenade and (this he never mentions) refusing to be evacuated, until the hurt young GIs had been flown out.

Although marked for a high position at The Washington Post, Just decided to give it up to struggle in fiction. When he goes back to Washington, to his amazement people still ask him if he misses it after 28 years and he seizes that he is thought odd to have given it all up. "What this is about, I think, is that somehow your values are a little askew because you have rejected it, you have decided that there is something more important than reporting on the activities of those in power in Washington, D.C."

Just and his wife, Sarah Catchpole, live in Martha's Vineyard. His novels, for all their humor and sharp observation, come, as Mark Twain said his own did, from the dark side of the moon. He saw the bright side at its brightest when he arrived in John F. Kennedy's Washington "at a very young age to be thrust into this febrile glamour. I'd never seen anything like it." And never will again? "Never will again and if I did I sure wouldn't react in the same way."

Today, Just says, the main motor in Washington is revenge, its class system indecent. "You almost can't overemphasize the isolation of Washington from the rest of the country. All this would be different if Washington had a class other than a political class and this raging black underclass that surrounds it. It's not a city like any other."

It, and the government, have inexorably become what Constance Behl foresaw. "We would like to live as we once lived, but history will not permit it," John F. Kennedy said. He was speaking in Fort Worth, Texas, in November 1963.

### Kisses From Nantucket

Reuters

NANTUCKET ISLAND, Massachusetts — Beachcombers picked through thousands of Hershey Kisses, Tootsie Rolls and other candies that washed up on Nantucket Island after a container ship lost its cargo in heavy winds.

Most of the cargo apparently sank and the ship continued to Baltimore, but the treats washed up on the Massachusetts island. "There's every choice of candy you could ever imagine washing up in the surf," said Police Chief Randolph Norris. "It's pretty much a mess."

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### PEOPLE

THE poet Allen Ginsberg, a patriarch of the iconoclastic Beat generation of writers who chafed against mainstream America, will go on writing poetry in the face of terminal liver cancer. The diagnosis for the 70-year-old Ginsberg was made public by his doctor and by Bill Morgan, a friend and the poet's archivist. "He's working on a lot of poems, talking to old friends," Morgan said. "He's in very good spirits. He wants to write poetry and finish his life's work."

Ginsberg is being cared for at his New York apartment. Ginsberg and the other Beat writers are credited with starting a genre of American prose and poetry in the late 1940s that celebrated free-wheeling bohemians skeptical of moral codes and political power. Their movement gave rise to the hippies of the 1960s. In 1956, Ginsberg published perhaps his most famous poem, "Howl," which begins: "I saw the best minds of my generation destroyed by madness, starving hysterical naked." His latest collection, "Selected Poems, 1947-1995," was published by HarperCollins last year.

They met as reporter and news source and now after a 12-year courtship, they are headed to the altar. On Sunday, the NBC reporter Andrea Mitchell will wed Alan Greenspan, chairman of the Federal Reserve. It may not be Charles and Diana or even John Kennedy Jr. and Carolyn Bessette, but it will definitely be the wedding of the season in Washington. It will be an afternoon wedding at the very exclusive Virginia countryside inn at Little Washington. The guest list — 75 friends and relatives — will include Washington's media and government elite.

Invited are the Washington Post's Katharine Graham, ABC's Barbara Walters, a former Greenspan girlfriend, and Senator John Warner, Walters' current escort.

A judge has given custody of the "Home Alone" star Macaulay Culkin and five of his six siblings to their mother, Patricia Brentrup, but suggested strongly that their father be involved in their showbiz careers. Christopher (Kit) Culkin, the children's father, conceded custody to Brentrup as a hearing was to begin, saying he didn't want "to put the family through any more pain."

An insurance company dropped its coverage of Julie Andrews, claiming that the star of the musical "Victor/Victoria" was not accurate about her medical history. The Wall Street Journal reported. Producers of the Broadway show purchased the policy in March 1995. They believed that the \$158,000 policy



THE SAINT RETURNS — Val Kilmer arriving for the premiere in Beverly Hills of his movie "The Saint," in which he plays Simon Templar.

would pay as much as \$2 million for missed appearances by the actress, and \$8.5 million if she were forced to abandon the show altogether, the newspaper said. Since the show opened in October 1995, a gall bladder operation, a bad larynx and a sore throat have caused Andrews, 61, to miss more than 30 performances, causing losses of \$1.6 million.

The insurers apparently think that Andrews did not provide information on respiratory and orthopedic problems, the newspaper said.

Alon Ben-Gurion, a grandson of David Ben-Gurion, Israel's first prime minister, became manager of the Waldorf-Astoria Hotel in Manhattan three weeks ago, and since then he has been discovering bits of his family history there. "This is a fascinating hotel," he said. "On March 14, 1960, my grandfather stayed in the Presidential Suite, and this is where he had one of the first official meetings with Chancellor Konrad Adenauer and where the relationship between Germany and Israel came to fruition."

Ingmar Bergman will receive a special award at next month's Cannes Film Festival in compensation for his never having won the festival's top award, the Swedish daily Aftonbladet reported on Friday.

Spurred for a 10th season on ABC, Roseanne will star in a spinoff on another network, according to The New York Times. ABC has withdrawn from negotiations for a new show with Carney-Warner Productions, which produces "Roseanne," because it was unwilling to pay the asking price, unidentified executives told the paper.

Allen Ginsberg, diagnosed with terminal liver cancer.

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